

Calendar No. 112

105TH CONGRESS }
1st Session }

SENATE

{ REPORT
105-49

TREASURY AND GENERAL GOVERNMENT APPROPRIATION BILL, 1998

JULY 16, 1997.—Ordered to be printed

Mr. CAMPBELL, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany S. 1023]

The Committee on Appropriations reports the bill (S. 1023) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending September 30, 1998, and for other purposes, reports favorably thereon and recommends that the bill do pass.

Amount of bill as reported to the Senate	\$25,206,539,000
Amount of estimate	25,662,405,000
The bill as reported to the Senate:	
Above the appropriations provided in 1997	1,104,916,000
Below the estimates for 1998	455,866,000

CONTENTS

	Page
General statement and summary of bill	3
Title I—Department of the Treasury	6
Title II—United States Postal Service	39
Title III—Executive Office of the President and Funds Appropriated to the President	41
Title IV—Independent Agencies:	
Committee for Purchase From People Who Are Blind or Severely Disabled	53
Federal Election Commission	54
Federal Labor Relations Authority	54
General Services Administration	55
John F. Kennedy Assassination Review Board	64
Merit Systems Protection Board	65
National Archives and Records Administration	65
National Historical Publications and Records Commission	67
Office of Government Ethics	68
Office of Personnel Management	68
Office of Special Counsel	72
U.S. Tax Court	73
Title V—General provisions, this act	75
Title VI—General provisions, departments, agencies, and corporations	76
Compliance with paragraph 7, rule XVI, of the Standing Rules of the Senate ..	79
Compliance with paragraph 7(c), rule XXVI of the Standing Rules of the Senate	80
Compliance with paragraph 12, rule XXVI of the Standing Rules of the Senate	81
Tables	93

GENERAL STATEMENT AND SUMMARY OF THE BILL

The accompanying bill contains recommendations for new budget (obligational) authority for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 1998.

The Committee considered budget estimates for fiscal year 1998 in the aggregate amount of \$25,662,405,000. Compared to that amount, the accompanying bill recommends new budget authority totaling \$25,206,539,000 which is \$455,866,000 less than the amount requested by the administration.

The Committee recommendations are consistent with the fiscal year 1998 section 602(b) budget authority and outlay allocations for the Treasury and General Government Subcommittee.

REPROGRAMMING REQUIREMENTS

The Committee is concerned about the number of reprogramming requests submitted by agencies for congressional review. Agencies are again reminded that only those requests which meet the reprogramming criteria listed below will be considered, that reprogramming should be reserved for critical circumstances, and that reprogramming proposals will not be considered, except in extraordinary circumstances, if received 45 or fewer days prior to the end of the fiscal year.

The reprogramming guidelines to be used to determine whether or not a reprogramming shall be submitted to the Committee for prior approval are as follows:

(1) For agencies, departments, or offices receiving appropriations in excess of \$20,000,000, a reprogramming must be submitted if the amount to be shifted to or from any object class, budget activity, program line item, or program activity involved is in excess of \$500,000 or 10 percent of the object class, budget activity, program line item, or program activity;

(2) For agencies, departments, or offices receiving appropriations less than \$20,000,000, a reprogramming must be submitted if the amount to be shifted to or from any object class, budget activity, program line item, or program activity involved is in excess of \$50,000 or 10 percent of the object class, budget activity, program line item, or program activity;

(3) For any actions which would result in a major change contrary to the program or item presented to and approved by the Committee or the Congress;

(4) For any action where the cumulative effect or past reprogramming actions added to the new reprogramming would exceed the dollar threshold mentioned above;

(5) For any actions where funds earmarked for a specific activity are proposed to be used for another activity; and

(6) For any actions where funds earmarked for a specific activity are in excess to meet the project or activity requirement, and are proposed to be used for another activity.

GOVERNMENT PERFORMANCE AND RESULTS ACT

The Government Performance and Results Act of 1993, commonly called GPRA, was enacted to improve management of Federal agencies by requiring an emphasis on planning and results. Future funding decisions will be based upon an agency's ability to meet the goals outlined in the strategic plan submitted the previous year.

Draft strategic plans must be submitted to the Office of Management and Budget by August 15, 1997, and final strategic plans are to be presented to Congress by September 30, 1997. However, Federal agencies were required to consult with Congress and other stakeholders on their draft strategic plans and incorporate suggestions or concerns in the plan submitted to OMB.

The Committee is encouraged that Federal agencies are trying to fulfill the requirements of GPRA. Some agencies have been more successful than others. For example, the U.S. Mint did an exemplary job and was recognized by the General Accounting Office for their plan. The Committee was also impressed with the strategic plan submitted by the Federal Labor Relations Authority, whose approach could be used as an example to other small agencies.

On the other hand, some of the plans reviewed did not live up to expectations and, unfortunately, the Financial Crimes Enforcement Network within the Department of the Treasury has not yet submitted a draft plan. The Committee strongly encourages agencies to continue to refine their strategic plans so that the fiscal year 1999 budget submission is accompanied by a plan which is both complete and clearly articulated. Further, the Committee strongly encourages agencies to ensure that the fiscal year 1999 budget submission displays amounts requested against program activity structures for which annual performance goals and indicators have been established.

VEHICLES

The Committee has provided Treasury law enforcement agencies over \$34,000,000 for vehicle replacements and upgrades. The Committee is concerned that rather than following the prescribed surplus equipment procedures agencies are providing law enforcement personnel vehicles although their position does not necessitate direct protective, investigative, or emergency response. This practice should not be continued because it provides law enforcement personnel vehicles not available to other Federal employees. In addition, including these vehicles in the law enforcement agencies vehicle inventory skews reports on the age, mileage and number of vehicles. Agencies are requested to review internal vehicle use policies and to surplus all vehicles not used to accomplish the requirements of the job.

The Committee requests that GAO review the utilization of vehicles by law enforcement agencies and report to the House and Senate Committees on Appropriations within 6 months after enactment of this bill on the age and mileage of current vehicles, agency policies on usage, and agency enforcement of those policies.

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

Appropriations, 1997	\$112,048,000
Budget estimate, 1998	116,314,000
Committee recommendation	114,794,000

The Committee recommends an appropriation of \$114,794,000 for salaries and expenses for departmental offices of the Treasury Department. The amount provided by the Committee is \$1,520,000 less than the budget estimate.

The departmental offices function of the Treasury Department provides basic support to the Secretary in his roles as the chief financial officer of the Government, major policy adviser to the President, and Executive Director of the Treasury Department. The Secretary's responsibilities include: recommending and implementing U.S. domestic and international economic policy, fiscal policy, and tax policy; managing the fiscal operations of the Government; managing the public debt; overseeing the major law enforcement functions carried out by the Treasury Department; serving as the U.S. representative to the various international financial organizations; and directing the general administrative operations of the Treasury Department.

In support of the Secretary, the departmental offices function provides policy formulation and implementation in areas such as tax and economic affairs, trade and financial operations, and general fiscal policy. This function also provides advice and technical assistance on administrative and legislative programs and establishes and coordinates departmental administrative policies in areas such as budget, accounting, personnel, procurement, information systems development and management, telecommunications, and equal employment opportunity.

The international affairs programs involve the formulation and execution of Treasury policy in a wide range of important economic areas. This activity includes those offices responsible for providing staff analysis and support for the Secretary and other senior officials involved in formulating and implementing international economic and financial policies. The issues involved within this activity include: international monetary affairs; international development financing policy; U.S. policy toward, and participation in, the work of the various international financial organizations; international economic analysis; international trade and investment policy; financial aspects of commodities and natural resources policy.

TRANSCRIPT REVIEW

The Committee continues to be displeased with the Department's inability to respond to questions for the record in a timely manner. As indicated in last year's report, the Committee has no choice but to take action in the only manner it can. As a result, the Committee has provided an appropriate adjustment to the "Departmental offices" appropriation.

OFFICE OF FOREIGN ASSETS CONTROL

The Committee has provided that the Office of Foreign Assets Control [OFAC] be funded at the fiscal year 1998 request, \$6,745,000. OFAC is responsible for enforcing economic sanctions as well as oversight and investigations of the illegal operations conducted by foreign agents and businesses. The Committee expects that this funding level will allow for 60 permanent full-time staffing positions, of which at least 10 are criminal investigators.

STUDY OF TAGGANTS IN BLACK AND SMOKELESS POWDER

Section 113(2) of the Fiscal Year 1997 Commerce, Justice, State, the Judiciary, and Related Agencies Appropriations Act required that the Secretary enter into a contract with the National Academy of Sciences to conduct a study of the tagging of smokeless and black powder by any viable technology for purposes of detection and identification. The academy was directed to appoint an independent panel of five experts for this study. That report was to be presented to Congress 12 months after enactment, or September 30, 1997. Because the academy and the Secretary have not yet agreed upon a statement of work, the Committee has included language to extend this deadline to September 30, 1998.

PRIVATE SECTOR TAX DEBT COLLECTION

The Committee is concerned that funding provided for a private sector debt collection program during fiscal years 1996-97 has not produced a successful program. As a result of a General Accounting Office review, unobligated funds for these programs have been reprogrammed. The Committee strongly urges IRS to work with the General Accounting Office to develop legislative proposals necessary to conduct a successful private sector debt collection program in the near future.

INTERNATIONAL CRIME

The Committee is concerned about the increase in crime abroad and the direct and indirect impact of international crime on the United States. As a result, the Committee supports the international crime initiative included in the Foreign Operations appropriations bill for fiscal year 1998 and encourages the Secretary of the Treasury to participate in and provide support for this initiative, as many of the concerns relating to international crime directly impact bureaus under the Department of the Treasury.

OFFICE OF PROFESSIONAL RESPONSIBILITY

Appropriations, 1997	\$1,500,000
Budget estimate, 1998	1,625,000
Committee recommendation	1,250,000

The Committee has provided \$1,250,000 for the Office of Professional Responsibility. The amount provided by the Committee is \$375,000 less than the budget estimate. The Committee does not disagree with the concept of an office to oversee law enforcement bureaus, but believes that the Office of Professional Responsibility should not exercise operational control over Treasury's law enforcement bureaus and organizations. In determining the fiscal year 1998 funding level, the Committee realized a fiscal year 1997 unobligated balance of \$1,250,000. It is the recommendation that the Office of Professional Responsibility submit a request for 50 percent of that amount for use as operating funds for fiscal year 1998.

AUTOMATION ENHANCEMENTS

Appropriations, 1997	\$27,100,000
Budget estimate, 1998	29,389,000
Committee recommendation	29,389,000

The Committee has provided a total of \$29,389,000 for development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury. These funds are made available for 2 years and may be transferred to accounts and in amounts as necessary to satisfy the requirements of the departmental offices, bureaus, and organizations. These funds shall be in addition to amounts appropriated in this act. The funds should be provided and transferred as follows:

Departmental offices	\$8,789,000
Departmental offices, international trade data system [ITDS]	5,600,000
U.S. Customs Service, automated commercial environment project [ACE]	15,000,000

Of the \$5,600,000 provided for the international trade data system, funding shall be provided to complete the International Trade Compliance Center study.

The General Accounting Office continues to document problems with the Customs Service's automated commercial environment [ACE]. Funding provided in fiscal year 1997, which was fenced, has not been released due to Customs' inability to provide clear planning for architectural designs. It is the Committee's hope that this funding can be used to provide the much needed technology for Customs to perform its mission. However, the Committee has provided \$15,000,000 in fiscal year 1998 for the Customs Service ACE project. This funding shall remain unavailable until September 1, 1998, and shall only be available after that date following Committee approval of the ACE systems architecture, milestone schedule, and a final estimate of the funds required to complete this capital investment. The Committee restates its strong support for computer modernization efforts; however, it remains committed to ensuring that Federal funds in this area are well spent.

OFFICE OF THE INSPECTOR GENERAL
SALARIES AND EXPENSES

Appropriations, 1997	\$29,770,000
Budget estimate, 1998	31,333,000
Committee recommendation	30,719,000

The Committee recommends an appropriation of \$30,719,000 for salaries and expenses of the Office of the Inspector General.

The statutory Office of the Inspector General of the Department of the Treasury was authorized under the Inspector General Act Amendments of 1988, Public Law 100-504. That act required the consolidation of the staff and responsibilities for the internal audit functions at the Bureau of Alcohol, Tobacco and Firearms, the U.S. Customs Service, and the U.S. Secret Service, with the Department of the Treasury's existing Office of the Inspector General.

The Office of the Inspector General is organizationally independent of all other offices and bureaus within the Department of the Treasury and is under the general supervision of the Secretary of the Treasury or his Deputy. The Office is responsible for: (1) the conduct, supervision, and coordination of audits with the Department; (2) the conduct of investigations within the nonlaw enforcement bureaus of the Department; (3) the oversight of investigations in the law enforcement bureaus or the conduct of such investigations, if appropriate; (4) the review of legislation and regulations of the Department; and (5) reporting to the Secretary and the Congress as set forth in the law.

The Committee has included language directing that \$16,695 be transferred to the "Departmental offices" appropriation to reimburse Secret Service agents for legal costs incurred during an apparent investigation of their testimony before Congress. While the inspector general has testified that these two agents were not subjects of a criminal investigation, it was subsequently discovered that the investigation was at one time labeled as criminal. As a result, these agents retained legal counsel and incurred legal expenses in preparation for the investigation. The agents should be reimbursed for these fees. This action is not without precedent. The Merit Systems Protection Board has authority to grant attorney fees to employees whose allegations of agency prohibited personnel practices have been upheld. The same authority is also provided to the Office of Special Counsel, which prosecutes, among other things, whistleblower cases.

REPAIR AND RESTORATION OF THE TREASURY BUILDING AND ANNEX

Appropriations, 1997	\$28,213,000
Budget estimate, 1998	12,484,000
Committee recommendation	10,484,000

The Committee recommends an appropriation of \$10,484,000 for the repair and restoration of the Treasury Building and Annex. This amount is \$2,000,000 below the budget request.

This account is used to operate and maintain the Department of the Treasury Building and Annex. The fiscal year 1998 request assumes a reduction of \$2,000,000 associated with the one-time reprogramming provided Treasury as a result of fire damage. The fiscal year 1997 additional funds were a one-time requirement and

are, therefore, reflected as a reduction in the Committee's fiscal year 1998 recommendation.

FINANCIAL CRIMES ENFORCEMENT NETWORK

Appropriations, 1997	\$22,387,000
Budget estimate, 1998	23,006,000
Committee recommendation	22,835,000

The Committee recommends an appropriation of \$22,835,000 for the Financial Crimes Enforcement Network [FinCEN] for fiscal year 1998. This amount is \$171,000 below the budget request. This funding level allows FinCEN to maintain current levels with a 2-percent inflation factor.

The Financial Crimes Enforcement Network [FinCEN] was created on April 25, 1990, by Treasury Order 105-08. The Treasury Department established FinCEN to implement the President's national drug control strategy recommendations calling for increased efforts to combat drug money laundering. FinCEN was created to serve as a central source for the systematic identification, collation, and analysis of intelligence in support of law enforcement operations. It also exercises the Department's responsibilities under the Bank Secrecy Act.

FinCEN provides a Governmentwide multisource intelligence and analytical network to support Federal, State, local, and foreign law enforcement and regulatory agencies in the detection, investigation, prosecution of money laundering, and other financial crimes. Toward this end, FinCEN is charged with linking together and analyzing financial, law enforcement, and public data sources, to provide leads on criminal financial activity that might otherwise go undetected.

In support of this mission, FinCEN is staffed with permanent FinCEN employees, analysts and computer specialists, as well as special agents, analysts, and other Federal employees on non-reimbursable details from Federal Government agencies.

The Committee includes in the violent crime trust fund \$3,000,000 to enhance FinCEN's efforts to combat emerging money laundering threats and to develop an encrypted transmission network.

OUTREACH TO AND ACCESS BY STATE AND LOCAL LAW ENFORCEMENT

Last year the Committee expressed its desire to see a greater emphasis placed upon making FinCEN's resources more available to and better known by Federal law enforcement officers. Along with this, State and local law enforcement is increasingly becoming engaged in efforts to break trafficking organizations that make use of money laundering techniques and other forms of financial crime that may be vulnerable to the resources that FinCEN can bring to bear. The Committee would like to see an effort made to increase the access by local law enforcement to the tools FinCEN can provide, such as its GATEWAY system. FinCEN should also explore ways in which it can cooperate with technological efforts being made by local law enforcement agencies in money laundering investigations, such as those being supported by the Counterdrug Technology Assessment Center.

TREASURY FORFEITURE FUND

Appropriations, 1997	\$10,000,000
Budget estimate, 1998	9,500,000
Committee recommendation	

The Treasury forfeiture fund was established on October 1, 1993, in Public Law 102-393. It has two accounts, one which is funded through permanent indefinite authority and the other which is funded through a direct annual appropriation. The direct appropriation represents the annual congressional limitation on the use of the proceeds from seized and forfeited assets. Forfeited cash and the proceeds of forfeited monetary instruments are deposited into the fund. Proceeds from the sale of other seized and forfeited assets are also deposited into the fund.

VIOLENT CRIME CONTROL AND LAW ENFORCEMENT FUNDING

Appropriations, 1997	\$97,000,000
Budget estimate, 1998	118,178,000
Committee recommendation	130,955,000

VIOLENT CRIME REDUCTION PROGRAM

The Committee has provided \$130,955,000 for Treasury enforcement activities as follows:

Bureau of Alcohol, Tobacco and Firearms:	
GREAT Program grants	\$10,000,000
GREAT administration/training	3,000,000
Firearms trafficking initiatives (including the youth crime gun initiative, Project LEAD, and the National Tracing Center)	6,000,000
CEASEFIRE/IBIS	5,200,000
Vehicles	8,215,000
Collection of information on arson and explosives	1,608,000
Total, Bureau of Alcohol, Tobacco and Firearms	34,023,000
Financial Crimes Enforcement Network:	
Money laundering threat initiative	2,000,000
Secure Outreach/Encrypted Transmission Program	1,000,000
Total, Financial Crimes Enforcement Network	3,000,000
Federal Law Enforcement Training Center:	
Rural law enforcement officers training	1,000,000
Master plan construction	18,619,000
Total Federal Law Enforcement Training Center	19,619,000
U.S. Customs Service:	
High energy container x-ray system	15,000,000
Laboratory modernization	5,735,000
Vehicles replacement	10,000,000
Automated license plate readers	7,800,000
Canopy construction along the Southwest border	1,100,000
Vehicle and container inspection systems [VACIS]	5,000,000
Total, U.S. Customs Service	44,635,000
U.S. Secret Service:	
White House security	15,664,000
Counterfeiting investigations	3,000,000

Forensic and related support of investigations of missing and exploited children	2,514,000
Total, U.S. Secret Service	21,178,000
<hr/>	
Funds appropriated to the President:	
Counterdrug Technology Assessment Center	5,500,000
Rocky Mountain HIDTA	3,000,000
Total, funds appropriated to the President	8,500,000

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

The Committee has included \$5,200,000 for the CEASEFIRE/IBIS program. Of this amount, \$1,200,000 is for maintenance of existing systems and \$4,000,000 is to allow ATF to comply with requests from State and local law enforcement entities for the technology. The Committee understands that there are requests pending at ATF from the West Virginia State Police in Charlestown; the Guilford County, North Carolina Sheriff's Department; the Cumberland, North Carolina Sheriff's Department; Kentucky State Police; the Allegheny County Forensic Laboratory in Pennsylvania; the Mississippi State Laboratory; the Washoe County Laboratory in Reno, NV; the Georgia Bureau of Investigations in Savannah; the Alabama Department of Forensic Science; and the Stickney, Illinois Police Department.

GREAT PROGRAM

The Committee supports funding for the Gang Resistance Education and Training [GREAT] Program through the VCRTF, and provides \$10,000,000 for grants to local law enforcement organizations and \$3,000,000 for ATF administrative support, training, and related activities.

U.S. SECRET SERVICE

The Committee has provided full funding of the administration's request for White House security through the VCRTF. However, the Committee is concerned with the accelerating costs associated with developing necessary security measures at the White House. The Committee hopes to continue to work with the Secret Service to identify the highest priority requirements related to protecting the President.

The Committee has provided \$2,514,000 for forensic and related support of investigations of missing and exploited children.

U.S. CUSTOMS SERVICE

The Committee has provided \$5,000,000 for the vehicle and container inspection systems. These systems use highly penetrative gamma-rays to nonintrusively inspect freight contained on pallets, in truck cargo containers, and in passenger vehicles.

The Committee did not provide funding for the Agent Relocation Program. It is the Committee's recommendation that if the Customs Service identifies this program as a high priority, it reduce funding under its "Salaries and expenses" account to cover the costs associated with this initiative.

COUNTERDRUG TECHNOLOGY TRANSFER PROGRAM

The Committee provides \$5,500,000 to the Counterdrug Technology Assessment Center [CTAC] of the Office of National Drug Control Policy to establish a program for transferring technology to State and local law enforcement agencies. CTAC works with many law enforcement agencies and prosecutors to find technological solutions to critical enforcement problems. The Committee directs the funding be used to initiate a pilot program to transfer these technologies to agencies who may otherwise be unable to profit from the developments due to limited budgets or a lack of technological expertise. The Committee directs CTAC to initiate this program under the direction of the chief scientist, ONDCP, with the advice of experts from State and local law enforcement, including sheriff departments, and link the programs with high-intensity drug trafficking area [HIDTA] programs to identify the technologies to transfer and the locations to be served.

HIGH-INTENSITY DRUG TRAFFICKING PROGRAM

The Committee has provided an additional \$3,000,000 for the Rocky Mountain HIDTA in order to accommodate the increased need for HIDTA activity in the region.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

Appropriations, 1997	\$56,185,000
Budget estimate, 1998	65,663,000
Committee recommendation	64,663,000

The Committee recommends an appropriation of \$64,663,000 for salaries and expenses of the Federal Law Enforcement Training Center [FLETC]. This amount is \$1,000,000 below the budget request.

The Federal Law Enforcement Training Center provides the necessary facilities, equipment, and support services for conducting basic and advanced training for Federal law enforcement personnel of its participating organizations. Center personnel conduct the instructional programs for the basic recruit training and also selected portions of the advanced training. In addition, the Center furnishes training on a space-available basis to personnel from several Federal organizations which are not formal participants under the memorandum of understanding.

In October 1982, the President directed that a national center for State and local training be established as a part of the Federal Law Enforcement Training Center. The major program goals are to present advanced and specialized training and to provide basic technical assistance to State and local law enforcement agencies.

In recent years, considerable funding has been provided Federal law enforcement agencies to hire and train additional personnel. The Committee has included funding to ensure that FLETC can meet the demands of agencies for training their personnel.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED
EXPENSES

Appropriations, 1997	\$21,584,000
Budget estimate, 1998	11,111,000
Committee recommendation	13,930,000

The Committee recommends an appropriation of \$13,930,000 for acquisition, construction, improvements, and related expenses of the Federal Law Enforcement Training Center. This amount is \$2,819,000 above the budget request.

The "Acquisition, construction, improvements, and related expenses" account covers major maintenance and facility improvements, construction, renovation, capital improvements, and related equipment at FLETC facilities in Glynco, GA, and Artesia, NM.

The Federal Law Enforcement Training Center was established in 1970 as the single interagency training organization for Federal law enforcement agencies. FLETC's concept of Governmentwide, consolidated law enforcement training is directed at promoting the highest quality training at the most reasonable cost to the American taxpayer through multiple agency support and use. FLETC, through its principal facility in Glynco, GA, now serves the basic and advanced training needs of 72 participating Federal agencies.

In June 1989, the Training Center completed its development of a master plan which will enable FLETC to better serve the training demands of Federal, State, and local law enforcement agencies. This master plan calls for the construction of additional facilities at both Center locations. The Committee expects the Department to periodically update the master plan to include new requirements demanded by the user agencies for effective law enforcement training.

The funding level includes \$2,819,000 for fiber optics replacement requested in the VCRTF.

The Committee has provided \$18,619,000 for master plan construction in the VCRTF. This funding has been provided to assist in completing the master plan in order to meet increasing demands for consolidated law enforcement training.

The Committee has also provided \$1,000,000 in the VCRTF for rural law enforcement officers training.

INTERAGENCY LAW ENFORCEMENT

Appropriations, 1997 ¹	\$73,794,000
Budget estimate, 1998	73,794,000
Committee recommendation	73,794,000

¹ Funded through the Commerce, Justice, State, and the Judiciary appropriations bill in fiscal year 1997.

The Committee recommends an appropriation of \$73,794,000 for the interagency crime and drug enforcement task force [ICDEF]. This amount is equal to the budget estimate.

ICDEF consolidates the resources of 11 Federal agencies to target and destroy major narcotics trafficking and money laundering organizations. The portion of ICDEF funds formerly appropriated to the Department of Justice, for reimbursing Treasury law enforcement bureaus participating in the program, are now being directly appropriated to the Department of the Treasury. This

amount will be administered by Treasury's departmental offices for continued ICDEF participation by law enforcement personnel in three Treasury bureaus.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

Appropriations, 1997	\$196,518,000
Budget estimate, 1998	202,560,000
Committee recommendation	202,490,000

The Committee recommends an appropriation of \$202,490,000 for salaries and expenses of the Financial Management Service [FMS] in fiscal year 1998.

In its financial management leadership role, the Service must manage effectively the movement of Federal funds as well as make the optimal use of Federal financial information. By doing so, FMS fulfills an obligation to the public by improving the Federal Government's overall financial position and helping to reduce the Federal deficit.

FMS oversees the Government's overall financial operations through the financial and accounting services it provides to its customers—Congress, other Federal agencies, financial institutions, and the public.

Service responsibilities include: regulation and management of the Government's collection systems; development and implementation of innovative cash management and credit administration practices in the administration of Federal programs; central payment services for all civilian executive agencies except the U.S. Postal Service, U.S. marshals, and certain Government corporations; processing claims on all lost, stolen, and forged checks including those not issued by the Treasury; providing central accounting services for the Government; compiling and publishing financial reports; and managing trust, revolving, and deposit fund accounts.

Public Law 104-134 included the Debt Collection Improvement Act of 1996, which designated the Financial Management Service as the primary agency collecting nontax debt which is due and owed to the Government. FMS is charged with coordinating the effort among Federal agencies to collect the debt.

PERMANENT INDEFINITE APPROPRIATION

The Committee has included language to establish a permanent indefinite appropriation to reimburse Federal Reserve banks for services in their capacity as depositories and fiscal agents on behalf of the Treasury Department.

No amounts are to be paid to the Federal Reserve until they have been certified by the Treasury's Financial Management Service as appropriate for these purposes, and all amounts expended from this account are to be offset from corresponding Federal Reserve receipts in the same amount.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
SALARIES AND EXPENSES

Appropriations, 1997	\$460,394,000
Budget estimate, 1998	496,954,000
Committee recommendation	472,490,000

The Committee recommends an appropriation of \$472,490,000 for salaries and expenses of the Bureau of Alcohol, Tobacco and Firearms [ATF]. This amount is \$24,464,000 below the administration's request.

The mission of the Bureau of Alcohol, Tobacco and Firearms is: (1) to reduce the criminal use of firearms and to assist other Federal, State, and local law enforcement agencies in reducing crime and violence by effective enforcement of the Federal firearms laws; (2) to provide safety for the public by reducing the criminal misuse of explosives, combating arson-for-profit schemes, and removing safety hazards caused by improper and unsafe storage of explosive materials; (3) to assure the collection of all alcohol and tobacco tax revenues and obtain a high level of compliance with the alcohol and tobacco tax statutes; (4) to suppress commercial bribery, consumer deception, and other prohibited trade practices in the alcohol beverage industry by effective enforcement and administration of the Federal Alcohol Administration [FAA] Act; and (5) to suppress illicit manufacture and sale of nontax paid alcohol beverages.

The Bureau's program objectives are as follows:

Alcohol and tobacco programs.—Ensure the collection of all taxes due; prevent organized crime or other unqualified applicants from obtaining permits to enter the alcohol and tobacco industries; ensure an open, competitive market for alcohol beverages; ensure protection for the consumer in alcohol beverage products; and undertake projects on regulatory reform and programs offering assistance to other agencies (both regulatory and law enforcement), industry, and the public.

Firearms program.—Reduce illegal trafficking in firearms; assist Federal, State, and local law enforcement and regulatory agencies in reducing illegal trafficking in weapons, reducing firearms-related crime, and investigating firearms-related cases; and identify and investigate violence-prone individuals who use firearms in criminal acts.

Explosives and arson programs.—Reduce criminal misuse of explosives; ensure public safety regarding the storage of legal explosives; reduce arson incidents; and assist Federal, State, and local investigative and regulatory agencies in explosives and arson-related areas.

FEDERAL ALCOHOL ADMINISTRATION ACT

The Committee recognizes alcoholic beverages as among the most socially sensitive commodities marketed in the United States. In this connection, marketing, labeling, and advertising of alcoholic beverages must be accomplished in an environment which fosters fair and healthy competition while protecting the interests of the American consumer. The Committee expects that there be no diminution of regulatory and oversight functions in fiscal year 1998.

ARMED CAREER CRIMINAL APPREHENSION PROGRAM

The Armed Career Criminal Act, signed into law in 1984 and expanded by the Anti-Drug Abuse Act of 1986, provides mandatory sentences for certain violent repeat offenders who carry firearms. The Bureau, given its jurisdiction over firearms laws, has a unique opportunity to effect the apprehension of violent offenders. The success to date of the Bureau's Repeat Offender Program has surpassed initial expectations regarding apprehension, prosecution, and conviction of career criminals. The Committee notes that over 80 percent of the defendants apprehended under this program have had direct involvement in illegal narcotics trafficking.

STAFFING LEVELS IN SMALLER STATES AND RURAL STATES

Over the past several years the number of ATF agents in the smaller States and rural areas have steadily declined, in favor of placing agent resources in larger States with large metropolitan centers. These staffing trends have not always reflected the needs of these areas. Wisconsin is an example. Although ATF staffing has increased almost 8 percent since 1990, the staffing in Milwaukee has declined over 50 percent. The Committee urges ATF, as it reviews its staffing, to examine allocations for rural areas and small and medium States.

ACHILLES TASK FORCE PROGRAM

The Committee continues to support the Achilles Task Force Program and is pleased to note that the administration's request for this program will result in continued operations at existing levels at both the Albuquerque and Houston-based sites.

GREAT PROGRAM

Since its inception the Gang Resistance Education and Training [GREAT] Program has proved successful. The proof is reflected in the large number of State and local police agencies currently participating, and the number of those seeking to participate in the program. The Committee has included funding in the VCRTF for continuation of the currently operating programs, as well as additional funding for expansion of the program. Special consideration should be given to several Vermont cities and others which have expressed considerable interest in participating in this program.

BASE RESTORATION

The Committee has provided \$14,262,000 to restore ATF's base, including \$1,400,000 for agent cashier informant/buys, \$5,800,000 for year 2000 conversion and telecommunications, and \$462,000 for laboratory and investigative supplies. In addition, \$5,200,000 was provided under the VCRTF for the maintenance and restoration of the CEASEFIRE/IBIS base.

NATIONAL TRACING CENTER

The Committee supports the practice of compiling information for the purpose of identifying individual criminal offenders and alleged offenders related to specific criminal and civil investigations. How-

ever, the Committee is concerned that ATF's current policy appears to set no time limit on how long such records can be maintained, since the trace record data base was created 8 years ago and we understand no records have yet been deleted. The Committee, therefore, directs ATF to clarify its practices related to the collection and maintenance of records on the acquisition and disposition of firearms by Federal firearms licensees for use in criminal or civil enforcement or firearms trace systems, and in particular on the length of time such records are kept.

SEPARATION INCENTIVES

Separation incentives authorized by Public Law 104-863 are available until the end of calendar year 1998. It is expected that agencies may utilize this authority to a greater extent early in fiscal year 1998. As a result, the Committee has continued a provision requiring ATF to seek approval of plans to offer separation incentives from the House Committee on Government Reform and Oversight and the Senate Committee on Governmental Affairs.

SAFETY AND SECURITY STANDARDS

The Committee is concerned about the apparent lack of safety and security standards for federally licensed firearms dealers. Guns stolen from licensed gun dealers pose an increasingly significant public safety threat. It is clear that the industry and ATF need to work together to address these problems. Therefore, the Committee directs ATF to make identifying and addressing minimum mandatory security requirements for Federal firearms licensees a priority at the next firearms industry discussion group which will convene later this year.

CRIMINAL GANG ACTIVITY ON INDIAN RESERVATIONS

The Committee recognizes that criminal gang activity on Indian reservations has steadily increased over the past decade, and urges the Bureau of Alcohol, Tobacco and Firearms to help curtail this problem by implementing, where needed, gang resistance and education training programs within Indian country.

RETURN OF STOLEN FIREARMS

The Committee understands there may have been instances where individuals who subsequently legally own a registered firearm reported as stolen and found as a result of law enforcement efforts utilizing the Federal trace system have not been notified of the recovery of the firearm and have not had the firearm returned to them despite the fact that the owner was not under criminal investigation, and the firearm had not been seized as evidence or legally forfeited. The Committee also understands that the Bureau of Alcohol, Tobacco and Firearms makes every effort to notify such individuals and arrange for the return of the legally owned firearm. Further, there have been indications that many State and local law enforcement offices lack sufficient resources to identify and contact the lawful owner of a firearm. Therefore, the Committee directs ATF to cooperate with State and local law enforcement to ensure the prompt return of recovered firearms to their legal owners.

where (1) the firearms were reported as stolen by its lawful owner; (2) the firearms have not been seized as evidence or forfeited in accordance with law; (3) the lawful owner is not the subject of a criminal investigation; and (4) the lawful owner is not prohibited by law from possessing a firearm.

LABORATORY FACILITIES

Appropriations, 1997	\$6,978,000
Budget estimate, 1998	55,022,000
Committee recommendation	55,022,000

The Committee recommends \$55,022,000 for construction of a new laboratory. This amount is equal to the administration's request.

The administration requested funding for construction of the ATF national laboratory and fire investigation, research, and development center. The Committee has provided funding for the construction of this facility.

U.S. CUSTOMS SERVICE

SALARIES AND EXPENSES

Appropriations, 1997	\$1,549,585,000
Budget estimate, 1998	1,566,826,000
Committee recommendation	1,551,028,000

The Committee recommends an appropriation of \$1,551,028,000 for salaries and expenses of the U.S. Customs Service. This amount is \$15,789,000 less than the budget estimate.

The U.S. Customs Service is the primary border enforcement agency and a major revenue producer. Customs administers and enforces the Tariff Act of 1930 and some 400 other provisions of laws and regulations of 40 other Federal agencies governing international traffic and trade. The mission is multifaceted and mandates the Service to:

- Control, regulate, and facilitate the movement of carriers, persons, and commodities between the United States and other nations;
- Protect the American consumer and the environment against the introduction of hazardous and noxious products; and protect American industry and the American worker against unfair competition from foreign manufacturers;
- Assess, collect, and protect the revenue accruing to the United States from duties, taxes, and fees incident to international traffic and trade;
- Detect, interdict, and/or investigate:

Smuggling and other illegal practices designed to gain illicit entry into the United States of prohibited articles, narcotics, and other contraband;

Fraudulent activities calculated to avoid the payment of taxes and fees, or to evade the legal requirements of international traffic and trade;

Illegal transfers of critical technology to foreign nations for the building of their military systems, thus posing a threat to our national security; and

Illegal international trafficking in arms, munitions, and currency.

ANTIDRUG EFFORTS ON THE SOUTHWEST BORDER

The Customs Service has been on the forefront of the drug effort for many years. The Committee has provided constant support to those efforts through those years, whether drugs have been on the front pages, or not. This bill includes the administration request of \$76,600,000. Of this amount, \$38,200,000 is provided for infrastructure initiatives, including \$29,200,000 for border station facilities to meet increased efforts along the Southwest border, and \$10,000,000 for vehicle replacements, which will impact Customs' ability to carry out operational priorities along the Southwest border. Additionally, \$33,400,000 has been provided for operational initiatives in the "Salaries and expenses" and "Violent crime reduction trust funds" accounts. This funding level includes land border automation, antismuggling initiatives, license plate readers, and outbound lane canopies. It is necessary to note that this problem is not a quadrennial one, it has been a significant problem which is with us year in and year out.

MONTANA WORLD TRADE CENTER

The Committee has provided \$2,500,000 in one-time funding for the Global Trade and Research Program at the Montana World Trade Center. This program promotes practical research and information dissemination on issues designed to explore, define, and measure contributions to economic globalization.

SOFTWOOD LUMBER AGREEMENTS

The Committee has provided \$2,000,000 to U.S. Customs Service to supply additional resources for monitoring and enforcing the United States/Canada Softwood Lumber Agreement. The lumber agreement, established in April 1996, addresses the problem of subsidized Canadian lumber imports. This additional funding will provide Customs adequate resources to reconcile United States import data with Canadian export data. The resources will also ensure Customs conducts the Northern border inspections and analyzes the trade statistics necessary to support the softwood lumber agreement.

SEPARATION INCENTIVES

Separation incentives authorized by Public Law 104-863 are available until the end of calendar year 1998. It is expected that agencies may utilize this authority to a greater extent early in fiscal year 1998. As a result, the Committee has continued a provision requiring the Customs Service to seek approval of plans to offer separation incentives from the House Committee on Government Reform and Oversight and the Senate Committee on Governmental Affairs.

AUTOMATION ENHANCEMENTS

The Administration had requested that \$5,600,000 be transferred from the Customs Service to the departmental offices for the inter-

national trade data system [ITDS]. These funds are included in the "Automation enhancements" account for the departmental offices.

STAFFING AND SERVICE LEVELS AT CUSTOMS PORTS OF ENTRY

The Committee continues to believe that the services provided through the Charleston, WV, Customs office are very important to the State of West Virginia and the Nation as a whole. For this reason, the Committee expects the Service to maintain the level of services provided in fiscal year 1996 through fiscal year 1998 at this office.

The Committee continues to believe that the policy of providing part-time and temporary inspectors at the Honolulu International Airport is an effective way to handle the large and increasing volume of passengers arriving and departing this very busy airport in Hawaii. The Committee has again included \$750,000 for part-time and temporary positions in the Honolulu Customs District. This action is intended to enhance and not supplant current staffing levels. Amounts included in this account are sufficient to maintain staffing levels at this airport through fiscal year 1998 at the fiscal year 1997 level.

The Committee expects the Customs Service to ensure that staffing levels are sufficient to staff and operate the newly operational Santa Teresa, NM, border facility.

Legitimate, as well as illicit, trade and traffic continue to grow in the State of Florida. Customs should give a high priority to funding sufficient inspection personnel at ports of entry in Florida for fiscal year 1998.

The Committee understands that increasing trade between Canada and the United States may require improvements in Customs Service facilities to prevent congestion or backups. The Committee directs the Customs Service to continue to provide adequate personnel to meet current border crossing needs along the Northern border. The Committee also directs the Service to provide the Committee with a report by March 1, 1998, on improvements in Customs stations and border crossings which will be needed to deal effectively with increased United States-Canada trade along the Northern border States.

Over the years Customs personnel in smaller States as well as rural areas have declined considerably. Problems facing these areas have not necessarily declined, and the Committee urges Customs, as it reviews its staffing requirements, to consider the allocation to smaller States and rural areas with particular emphasis on Montana and Vermont.

STANTON STREET BRIDGE DEDICATED COMMUTER LANE, EL PASO, TX

The Committee continues to recognize the need to facilitate the flow of traffic and trade between the United States and Mexico in El Paso, TX. To help achieve this objective, the U.S. Customs Service, the Immigration and Naturalization Service, the U.S. Department of Agriculture, and the El Paso business and trade community have been analyzing a plan to locate a dedicated commuter lane [DCL] at the Stanton Street Bridge site—a site preferred by both the United States and Mexico trade communities and selected

by the U.S. Customs Service in its February 1997 report to Congress.

The Committee expects the Customs Service to work with the Immigration and Naturalization Service and the United States and Mexico trade communities to successfully implement the Stanton Street Bridge DCL. The Committee also expects the Customs Service to report on at least a quarterly basis regarding the progress in carrying out this directive.

TECHNOLOGY RESEARCH

The Committee has once again included funding for research into technologies which will assist Customs in performing its inspection and enforcement duties. The Committee commends Customs on the excellent job it has done with regard to technologies unique to inspection and urges that appropriate funding be given to development of technology to look at commercial vehicles.

INTERNATIONAL TRADE COMPLIANCE CENTER STUDY

The Committee instructs the Customs Service to provide no less than \$500,000 to complete a feasibility study and implementation plan for the creation of a international freight processing center in Kansas City. The Committee expects that the study will examine the freight impact of rail service to and from Mexico and any necessary improvements or changes needed within Customs to make it easier for United States businesses to conduct international trade with our NAFTA partners.

CHILD PORNOGRAPHY

The Committee is concerned that there has been steady and significant decrease in the number of calls placed to the child pornography tipline. Tipline calls have, in the past, resulted in a substantial number of successful prosecutions for child pornography violations. The Committee, therefore, directs the U.S. Customs Service to provide \$75,000 from available funds to promote public awareness for the child pornography tipline, including ongoing efforts to make children aware of the tipline, in fiscal year 1998. The Committee recommends that the U.S. Customs Service coordinate this promotional effort with the National Center for Missing and Exploited Children and the U.S. Postal Service to ensure that the publicity is diversified and effective.

PROJECT ALERT

The Committee instructs the Customs Service to provide no less than \$200,000 to the National Center for Missing and Exploited Children for the training of retired law enforcement officers to assist in the investigation of unsolved missing children cases nationwide. The Committee anticipates that these funds will be in addition to other funds available to the center for these purposes.

ATLANTIC TUNAS

The Committee is concerned about the importation of fish and fish products taken in violation of the International Convention for

the Conservation of Atlantic Tunas, and urges the Customs Service and other relevant agencies to address this situation.

CUSTOMS FACILITIES, CONSTRUCTION, IMPROVEMENTS

Appropriations, 1997	
Budget estimate, 1998	\$5,512,000
Committee recommendation	

MISSION

This account would provide funding for major Customs construction, repair, and facility improvements.

RECOMMENDATION

The Committee denies funding at this time for a second hangar at Corpus Christi to house the new P-3 AEW aircraft. The Committee recognizes that such facilities, which would provide protection from corrosive weather conditions, are important to extending the useful flying life of the aircraft. However, it appears the delay in the delivery schedule for the aircraft may not justify present expenditure for new construction. The Committee will be willing to consider this request at such time as Customs reports that the P-3 delivery schedule is firm. The Committee would not object if the Secretary chose to fund such construction from any surplus that might become available in the Treasury forfeiture fund with advance approval from the Committee.

OPERATION AND MAINTENANCE, AIR AND MARINE INTERDICTION PROGRAMS

Appropriations, 1997	\$83,363,000
Budget estimate, 1998	92,758,000
Committee recommendation	92,758,000

The Committee recommends an appropriation of \$92,758,000 for operation and maintenance activities of the Customs air and marine interdiction programs. This amount equals the budget request.

The operation and maintenance, air and marine interdiction programs will cover expenses incurred by the Customs Service for operating and maintaining aircraft, boats, radar, and equipment necessary to carry out its air and marine interdiction missions. This account also includes operational training, mission-related travel, and special operations directly associated with the air and marine interdiction programs. This account covers the essential costs associated with operating and maintaining the military aircraft and equipment that has been, and will continue to be, loaned to Customs for use in its air interdiction mission.

The Customs Service is the frontline in drug interdiction. The air and marine efforts compose a major element of the country's firstline interdiction effort. In recent years the strategy has changed, but the problem remains the same. The Committee has iterated over and over how important air and marine efforts are to deterring narcotics smuggling. These efforts have proven extremely effective. The change in the drug control strategy does not eliminate the need for continued vigilance. The Committee continues to maintain a keen interest in air and marine activities and reminds

the Service that air and marine interdiction are and shall be a top priority.

AIR AND MARINE OPERATIONS

Through the years Customs has had to react to changing smuggling modes. Air and marine interdiction methods have been adjusted to challenge this ever changing threat. This effort has proved effective through the years. Yet, vigilance remains the watchword. Currently, emphasis is being placed on interdiction efforts in Caribbean waters around Puerto Rico and the U.S. Virgin Islands. Lessons learned from efforts off the Florida coast have proved very successful. The Committee reminds Customs that the threat can shift very quickly, and that appropriate attention should be given to ensure that the Florida coast is adequately covered by air and marine assets.

The Committee suggests the Customs Service review the configuration based management system [CBMS] being used by the Coast Guard and Air Force for potential cost savings in the Customs Air Program.

P-3 AIRBORNE EARLY OPERATIONS

The Committee last year provided funding for the retrofitting of two P-3 AEW aircraft to enhance the Nation's counterdrug efforts in the source and transit zones, which would bring this total number in the Customs fleet to six. The Committee is concerned that the funding provided to the Department of Defense has not been transferred to Customs to permit work to begin on the second P-3, and thus the delivery date of that aircraft has been unnecessarily delayed. The P-3 surveillance mission is critical to the Nation's interdiction effort, and the Committee is concerned that there may be a gap in coverage as the Defense Department reduces its mission operations. The Committee requests Customs to report by January 31, 1998, on the status of the P-3 retrofitting program, including an assessment of the current operational requirements and the potential impact on interdiction effectiveness were the fleet to be expanded by one or two additional P-3 AEW aircraft.

CUSTOMS SERVICES AT SMALL AIRPORTS

(TO BE DERIVED FROM FEES COLLECTED)

Appropriations, 1997	\$2,406,000
Budget estimate, 1998	2,406,000
Committee recommendation	2,406,000

The Committee recommends an appropriation of \$2,406,000 for customs services at certain small airports. These services are to be paid from user fees collected at each of these small airports. The Committee funding recommendation for fiscal year 1998 for this account is the same as the budget request.

The Trade and Tariff Act of 1984 (Public Law 98-573) authorizes the U.S. Customs Service to impose user fees for services at certain small airports where the volume or value of business is insufficient to justify the availability of customs services. The fee will be equal to the expenses incurred in providing the services.

The legislation authorizes Customs to charge a fee for services at certain designated airports and locations designated by the Secretary of the Treasury. (The Governor of the State in which such airport is located must also approve the designation.)

Fees which are collected at each airport are deposited into an account within the Treasury of the United States specifically designated for that airport. The funds in the account are only available for expenditures relating to the provision of customs services at each airport, including salaries and expenses of personnel employed to provide such services. Currently service is provided to 31 airports throughout the country in this program.

HARBOR MAINTENANCE FEE COLLECTION

Appropriations, 1997	\$3,000,000
Budget estimate, 1998	3,000,000
Committee recommendation	3,000,000

The Committee concurs with the budget request which provides \$3,000,000 to be transferred from the harbor maintenance trust fund to the Customs Service "Salaries and expenses" appropriation.

The harbor maintenance fee was established to provide resources to the Army Corps of Engineers for the improvement of American channels and harbors. The fee is assessed on the value of commercial imports and exports delivered to and from certain specified ports. The fee is collected by the Customs Service and deposited into the harbor maintenance trust fund. The transferred funds will offset the costs incurred by Customs in collecting these fees.

U.S. MINT

The Mint manufactures coins, receives gold and silver bullion, safeguards the Government's holdings of monetary metals, and refines gold and silver bullion. The manufacture of domestic coins is the major activity of the Mint. Coins are ordered from the Mint by the Federal Reserve banks in quantities required for the country's business transactions. Thus, the volume of the coinage program is determined by the public need for coins.

Public Law 104-52 established the U.S. Mint public enterprise fund which authorizes the U.S. Mint to use proceeds from the sale of coins to finance the cost of its operations. The enactment of this legislation has eliminated the need for future appropriations to support the mission of the Mint.

BUREAU OF ENGRAVING AND PRINTING

The Bureau of Engraving and Printing, the world's largest securities manufacturing establishment, operates on the basis of authority conferred upon the Secretary of the Treasury by 31 U.S.C. 321(a)(4) to engrave and print currency and security documents. Additional authority is derived from past appropriations made to the Bureau for work to be undertaken. The operations of the Bureau are currently financed by means of a revolving fund established in accordance with the provisions of Public Law 81-656, August 4, 1950 (31 U.S.C. 5142). This fund is reimbursed by other Government agencies for the direct and indirect costs of the Bu-

reau, including its administrative expenses, incidental to performing the work or services requisitioned.

Public Law 95–81, July 31, 1977, (31 U.S.C. 5142(c)(3)) increased the Bureau's fund and authorized the establishment of reimbursement prices from customer agencies at a level intended to provide funding for the acquisition of capital equipment and future working capital. This should preclude future requests for appropriations.

The Bureau designs, manufactures, and supplies most of the major evidences of a financial character issued by the United States. It is the sole source of U.S. currency, various public debt instruments, as well as most other evidences of a financial character issued by the United States, such as postage stamps. The Bureau executes certain printings for various territories administered by the United States, particularly postage and revenue stamps. It conducts extensive research and development programs for improving the quality of products, reducing manufacturing costs, and for strengthening deterrents to the counterfeiting of Government securities. It manufactures inks and plates used for its products; purchases materials, supplies, and equipment; provides maintenance services for its buildings and plant machinery and equipment; and stores and delivers its products in accordance with requirements of customer agencies. The Bureau is responsible for the accountability and destruction of its security waste products. The Bureau also renders services to other Government agencies such as security, custodial, and elevator services in areas of its buildings occupied by another Treasury bureau.

The budget estimates are determined primarily by two factors; namely, (1) the volume of production of the various items needed to meet the estimated requirements of customer agencies, and (2) the unit cost of manufacturing each type of item produced. The unit cost of production of each item manufactured is developed through a detailed system of cost accounting and adjusted to reflect all known factors which will affect the cost of production during the current budget year. Such factors include pay rate and material price increases expected to occur during the current year, as well as estimated savings resulting from improvements in production procedures.

No direct appropriation is required to cover the activities of the Bureau.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

Appropriations, 1997	\$165,335,000
Budget estimate, 1998	169,426,000
Committee recommendation	169,426,000

The Committee recommends an appropriation of \$169,426,000 for the Bureau of the Public Debt in fiscal year 1998. The Committee recommendation equals the budget estimate.

The Bureau of the Public Debt is responsible for administering the laws and regulations pertaining to public debt financing and operations within the framework of policies established by the Secretary of the Treasury. The Bureau's primary concerns are with the issuance, servicing, and retirement of public debt securities, and

accounting for the public debt and its related interest cost. It also has a general responsibility for the conduct or direction of transactions in public issues of those Government agencies for which the Treasury acts as agent.

This appropriation currently provides funds for: the direct operating costs of the Bureau of the Public Debt including the Office of U.S. Savings Bonds; the payment of fees at stipulated rates to financial institutions and others; and the payment of postage and registry fees to the U.S. Postal Service for delivering securities.

The Office of U.S. Savings Bonds is charged with reducing Federal spending by promoting the sale and retention of U.S. savings bonds. In addition to helping the U.S. Government finance its debts in the least expensive and least inflationary way possible, savings bonds provide Americans with an effective, systematic way to save through the payroll savings plan. The program is also intended to create a partnership of direct participation of American business, labor, banking, media, and community groups, as well as to provide the opportunity for all citizens to voluntarily participate in the financing of their Government.

INTERNAL REVENUE SERVICE

SUMMARY

The Committee has recommended a total of \$7,694,383,000 for the Internal Revenue Service [IRS] in fiscal year 1998. This amount is \$175,000,000 below the budget estimate and \$651,256,000 above the fiscal year 1997 enacted level.

REALIGNMENT OF IRS BUDGET PRESENTATION

The fiscal year 1998 budget request realigned the budget structure moving several compliance-related functions from the "Tax law enforcement" appropriation to the "Processing, assistance, and management" appropriation and established a new category for telephone and correspondence program. According to IRS the proposed structure more closely aligns the budget activities with the Service's business lines. This is consistent with the Government Performance and Results Act requirements that agencies will align resources in the budget to match the way that programs are managed and will link resources to program outcomes. This will facilitate a clean audit opinion, provide maximum flexibility in balancing programs, and delineate between operational expenses and capital investments.

A key element of the new structure is the consolidation of activities in which the IRS interacts with taxpayers by telephone and correspondence providing increased IRS flexibility to handle telephone calls and balance resources for peak periods for assistance and taxpayer account work. The Committee reserves judgment on the flexibility provided by the realigned structure but is hopeful that the realignment will result in increased management and oversight of resources.

The Committee remains concerned about the ability to identify costs associated with both customer service and compliance as defined in the fiscal year 1997 structure. In order to be completely aware of these costs the Committee directs the IRS to provide a

complete breakout of costs associated with customer service and compliance activities and to institute procedures to track these costs based on the fiscal year 1997 definitions, under the new structure.

PROCESSING, ASSISTANCE, AND MANAGEMENT

Appropriations, 1997	\$1,790,288,000
Budget estimate, 1998	2,943,174,000
Committee recommendation	2,943,174,000

The Committee recommends an appropriation of \$2,943,174,000 for processing, tax assistance, and management. This amount is \$1,152,886,000 above the fiscal year 1997 request.

The "Processing, assistance, and management" appropriation provides for processing tax returns and related documents; assisting taxpayers in filing of their returns and in paying taxes that are due; matching information returns with tax returns; internal audit and internal security; and management of financial resources, rent, and utilities.

Mission statements of each of the program activities under this account are as follows:

Submission processing.—Provide for all actions associated with receipt of completed returns and payments, deposit of those payments, processing and accounting for revenue collections and Federal Tax Deposits, and verification of the accuracy of information provided by the taxpayer through an automated master file system. Provide for payment of refunds, offset of refunds against delinquent accounts, issuance of notices that payments are overdue, identification of possible nonfilers for investigation, and assistance in the selection of tax returns for audit.

Telephone and correspondence.—Aid voluntary compliance with Federal tax laws by informing taxpayers of their responsibilities and by providing services and information through various media which assist them in meeting their obligations. Provide for responding to inquiries concerning tax laws, IRS bills and notices, and resolving tax account problems.

Document matching.—Process information returns, such as wage, dividend, and interest statements and matches them with related individual income tax returns. This enables the Service to identify income reporting discrepancies, unsubstantiated deductions, and nonfiling of tax returns and to verify facts and amounts in question through taxpayer contact prior to assessing additional tax or refunding excess credits.

Inspection.—Protect public confidence in the integrity of the IRS. Internal audit independently reviews service programs at the national, regional, and local levels to ensure that laws and regulations are being followed, that management and financial internal controls are in place, that programs and major ADP systems are functioning effectively and efficiently, and that appropriated funds are spent as authorized. Internal security conducts background investigations to maintain the integrity of the IRS work force against fraud and drug abuse and protect the Service against outside attempts to bribe, intimidate, or harass its employees.

Management services.—Set policies and goals, provide leadership and direction for the Service, and provide servicewide policy guid-

ance for managing contract administration and procurement programs, conducting strategic and organizational planning, and developing and managing the human, logistical, and financial resources required to fulfill the Service's mission in performing tax administration. Also provides all administrative services for IRS national office and field installations.

Rent and utilities.—Provide rent and utilities for the entire Service.

FINANCIAL MANAGEMENT

The Committee continues to be very concerned with the financial management of the IRS and the IRS' inability to adequately justify costs and performance. GAO's February 1997 high-risk series notes that the IRS has made some progress in addressing its problems, but is still unable to pass a financial audit.

The Committee remains very concerned with the IRS' inability to adequately justify costs and performance, and the Committee continues to remain very concerned about the financial management of the IRS.

IRS STAFFING PLANS

The Committee continues to support adequate staffing levels for effective tax administration and supports the staffing plans for the Internal Revenue Service facilities in the communities of Martinsburg and Beckley, WV. Therefore, the Committee urges the IRS, within the constraints of the fiscal year 1998 funding levels, to make only minimal, if any, staffing reductions at the Martinsburg National Computer Center and the programmed level at the Administrative Services Center in Beckley, WV.

NEWPORT, VT

The Committee understands that the Newport IRS office has been unable to fill five positions from within the Service. These positions must be filled if the Newport office is to be able to continue its excellent performance as one of two national centers for processing SS 8 forms. If the reduction-in-force announcement issued by the IRS on July 7, 1997, does not result in the Newport positions being filled, the Committee urges the Service to approve a waiver for external hiring to allow the office to fill these positions from outside of the IRS.

FIELD REORGANIZATION

The fiscal year 1997 appropriations bill for IRS included a provision (section 105) which required the IRS to provide a report to the House and Senate Committees on Appropriations on the impact of the planned field organization before it could implement the reorganization. The Committee found the report lacking, particularly with regard to its cost/benefit analysis and its analysis of how adequate taxpayer service will be provided in the future. The Committee, therefore, directs the IRS to continue to delay its planned field reduction in force until it submits another report to the House and Senate Committees on Appropriations with a detailed plan on how the IRS will ensure adequate taxpayer service in the future. In ad-

dition, the Committee directs the IRS to include a detailed analysis of the impact of the field reorganization on the adequacy of taxpayer services in rural areas of the country in this report.

TAX COUNSELING FOR THE ELDERLY

The Committee once again believes that the Tax Counseling Program for the Elderly has proven to be most successful. To meet the goals of this program, \$3,700,000 is included within the aggregate amount recommended by the Committee for processing tax returns and assistance in fiscal year 1998. This amount represents the same level as provided for this program in fiscal year 1997. To ensure that the full effect of the program is accomplished, the IRS is directed to cover administrative expenses within existing funds.

TAXPAYER SERVICES IN ALASKA AND HAWAII

Given the remote distance of Alaska and Hawaii from the U.S. mainland, the many tax compliance issues unique to the communities and geography in these States, and the difficulty in receiving needed assistance by the national toll-free line, the Committee believes that the Internal Revenue Service should maintain a problem resolution specialist position, current problem resolution positions assisting the problem resolution officer and associate problem resolution officers, and tax examination personnel of appropriate number and grade within each of the States of Alaska and Hawaii.

PROBLEM RESOLUTION OFFICE

The Committee notes the success in fiscal year 1997 of having the Alaska and Hawaii offices retain problem resolution staff to support the many tax compliance, tax education, taxpayer protection, and tax administration functions each local problem resolution office performs. The Committee concludes that this approach to handling such taxpayer service issues under the district office consolidation has merit for each State. Therefore, the Committee instructs the IRS to study the feasibility of providing one fully staffed problem resolution office in each State and provide a cost-benefit analysis of this proposal by February 1, 1998.

IRS RENTAL RATES

The Committee directs the IRS to submit a plan indicating its progress in reducing space requirements commensurate with reduced staffing levels. The Committee believes a 10-percent reduction in space by the year 2001 to be a reasonable target. As a result, the Committee expects annual reports showing the Service's progress toward this goal. The first report is to be submitted to the House and Senate Committees on Appropriations by December 30, 1997.

TAX EXEMPT ORGANIZATIONS AND THE TOUR INDUSTRY

The fiscal year 1997 conference report incorporated a provision that cited the emerging problem of tax-exempt competition with small business in the travel and tour industry. Because of increased growth in the number of tax-exempt organizations that choose to engage in commercial activities and ambiguities in the

definition of what is and what is not taxable, last year the Committee directed the IRS to review this situation and take steps, if necessary, to develop regulations clarifying the substantially related test as it applies to tax-exempt travel and tour activities.

The Committee believes that this matter would be best resolved through the issuance of a regulation, thereby providing the fullest opportunity for public notice and comment. The Committee, therefore, directs the IRS to address this matter through a regulation within the next 6 months.

TAX LAW ENFORCEMENT

Appropriations, 1997	\$4,104,211,000
Budget estimate, 1998	3,153,722,000
Committee recommendation	3,153,722,000

The Committee recommends an appropriation of \$3,153,722,000 for tax law enforcement activities in fiscal year 1998. This amount is equal to the budget estimate.

The "Tax law enforcement" appropriation provides for the examination of tax returns, both domestic and international, and the administrative and judicial settlement of taxpayer appeals of examination findings. It also provides for technical rulings, monitoring employee pension plans, determining qualifications of organizations seeking tax-exempt status, examining tax returns of exempt organizations, enforcing statutes relating to detection and investigation of criminal violations of the internal revenue laws, collecting unpaid accounts, compiling statistics of income and compliance research, and securing unfiled tax returns and payments.

Criminal investigations.—Provides for enforcement of criminal statutes relating to violations of internal revenue laws. Investigates cases of suspected intent to defraud, recommends prosecution as warranted, and assists in the preparation and trial of criminal tax cases. Financial investigations expose money laundering schemes through a variety of methods, including currency transaction reports.

Examination.—Encourages voluntary compliance with the internal revenue laws through the determination of correct tax liability by the selective examination of tax returns, the correction of errors, and explanation of these corrections to taxpayers. The appeals portion of this activity provides staffing, training, and direct support to allow for an administrative review process that provides a channel for impartial case settlement prior to cases being docketed in a court of law.

Collection.—Collects unpaid accounts and secures delinquent returns; develops and implements programs to prevent tax accounts from becoming delinquent; determines and analyzes reasons for tax accounts that become delinquent; and develops, implements, and measures programs that analyze the reasons for types and degrees of nonfiling.

Employee plans and exempt organizations.—Monitors private pension plans to ensure compliance with the Employee Retirement Income Security Act of 1974, as amended. Organizations apply for tax-exempt status, which is determined by this activity, through the application of certain tests. By examining tax returns of tax-

exempt organizations, it monitors and ensures compliance with current tax laws regarding tax-exempt organizations.

Statistics of income.—Publishes statistics of income reports on the operation of income tax laws, as required by the Internal Revenue Code for the Congress and its committees; for administrative use by the Secretary of the Treasury and the Commissioner of Internal Revenue; and for the Federal benchmark statistical programs on income, wealth, and finance.

PRIVATE SECTOR DEBT COLLECTION

The Committee has previously provided a total of \$32,000,000 for a private sector debt collection pilot projects. GAO recently reported that the pilot project, as structured, cannot collect adequate levels of overdue taxes. The Committee has requested that GAO work with the IRS to structure a pilot program and provide the legislative changes that would be necessary for a successful private debt collection pilot project.

TAXPAYER PROTECTION

The Committee remains concerned that taxpayers receive adequate protection from undue enforcement actions particularly when no intentional misconduct is alleged by the IRS. The Committee intends to continue to ensure that taxpayers rights are being respected by the IRS and that taxpayers are treated equitably under the law.

INFORMATION SYSTEMS

Appropriations, 1997	\$1,323,075,000
Budget estimate, 1998	1,272,487,000
Committee recommendation	1,272,487,000

The Committee recommends an appropriation of \$1,272,487,000 for information systems activities in fiscal year 1998. The Committee recommendation is equal to the budget request.

The “Information systems” appropriation provides for servicewide data processing support, including the evaluation, development, and implementation of computer systems, including software and hardware requirements.

Operational information systems.—Provides for servicewide automation support for the processing, assistance and management, and tax law enforcement appropriations. This activity also includes those tax system modernization projects that have advanced from the developmental phase to an operational mode after servicewide implementation and acceptance.

Developmental information systems.—Provides for major redesign and acquisition of the basic information systems infrastructure needed to achieve a fully integrated framework for tax administration operations. This includes implementing a redesigned tax administration system, developing a target architecture, replacing equipment at major field installations, and executing other major redesign efforts.

MODERNIZATION EFFORTS

The Committee is pleased that the IRS has produced a modernization blueprint which was presented to Congress on May 15, 1997. While there have been a number of plans in the past, this blueprint appears to be a product the IRS can use to develop a more detailed plan for implementation. The Committee believes the most important thing for the IRS, at this point, is to follow through on the processes and procedures it has established for investment review and systems life cycle. There is much that can be done to implement modernization and the IRS should not delay this process. In 1997, Congress directed the IRS to turn over a majority of its tax systems modernization work to the private sector. The Committee is pleased that the IRS is planning to develop and implement the modernization plan through new partnerships with the private sector.

CENTURY DATE CHANGE

The Committee believes that the century date change is and should be the IRS' highest priority. Once the requirements of the century date change are fulfilled, the IRS will need to focus attention on the modernization effort.

The Committee believes strongly that all efforts related to the century date change be funded as the IRS priority, and that no efforts strictly related to the modernization program be included as a century date change cost.

CENTURY DATE CHANGE AND DATA CENTER CONSOLIDATION

The Committee supports the data center consolidation as part of the century date change and is pleased at the efficiencies the IRS believes will result from this consolidation. According to the IRS the efficiencies include: replacing outdated technology, setting the platform for the future implementation of the modernization architecture, producing \$300,000,000 in savings through future cost reductions, and reducing 600 positions over a 2-year period.

To ensure the century date change compliance initiative and the data center consolidation occur, the Committee directs IRS to transfer \$130,000,000 requested for development and deployment in fiscal year 1998 funds and to transfer \$102,500,000 provided for development and deployment in fiscal year 1997 to the century date change and data center consolidation initiatives. In addition, the IRS is directed to apply \$32,000,000 from the tax law enforcement private sector debt collection initiative.

In transferring the fiscal year 1997 funding the Committee directs that development and deployment funding be continued for automated tax law programs, the telephone routing interactive systems, the compliance research information system, the customer service integrated case processing system, the electronic fraud detection system, the Telefile system, and a portion of the integrated submission processing strategy and workload management system.

The Committee believes it is critical that the IRS verifies the conversion of all equipment prior to the year 2000. The Committee recommends that the IRS keep in mind the requirement that the

program should be functional for a full calendar year prior to the year 2000.

SEIZURE AND SALE OF LIMITED ENTRY COMMERCIAL FISHING PERMITS

The Committee has included a new administrative provision to provide a long overdue solution to a conflict involving the seizure and sale by the IRS of State-issued limited entry commercial fishing permits. Section 6334 of the Internal Revenue Code exempts from levy tools of trade in certain circumstances and section 6343 gives the Secretary additional authority to release levies where the release will facilitate the collection of a tax liability. State limited entry commercial fishing permits are a unique tool of trade that generally exceed the dollar value threshold established under section 6334. It has come to the Committee's attention that the Secretary has not exercised the alternative authority under section 6343 to release levies on State commercial fishing permits even where the continued use of the permit would be more likely than a seizure and sale to result in the full collection of a tax liability. The Committee has, therefore, included a provision which prohibits the Secretary from expending funds to collect a tax liability by levy on a State limited entry permit unless the Secretary has first determined, in writing and by clear and convincing evidence, that the levy will facilitate the full collection of the liability.

INFORMATION TECHNOLOGY INVESTMENTS

Appropriations, 1997	
Budget estimate, 1998	\$500,000,000
Committee recommendation	325,000,000

The Committee has denied the request for \$500,000,000 for a capital investment account for future computer systems modernization efforts. The Committee supports wholeheartedly the IRS modernization efforts thus far; however, much more work needs to be done before this Committee can, in all good conscience, appropriate more money for any modernization effort.

However, the Committee has provided an additional \$325,000,000 in this account for the capital asset acquisition of information technology systems as they relate to the century date change and data center consolidation. Those funds will become available for obligation on September 1, 1998.

IRS—ADMINISTRATIVE PROVISIONS

The Committee has recommended approval of the following administrative provisions for the Internal Revenue Service:

Section 101 authorizes the IRS to transfer up to 5 percent of any appropriation made available to the agency in fiscal year 1998, to any other IRS account. The IRS is directed to follow the Committee's reprogramming procedures outlined earlier in this report.

Section 102 is a provision which maintains a training program in taxpayer's rights and cross-cultural relations.

Section 103 requires the IRS to maintain taxpayer services at not less than 1995 levels.

Section 104 prohibits the expenditure of funds for the collection of taxes unless the conduct of officers and employees of the IRS complies with the Fair Debt Collection Practices Act.

Section 105 requires the IRS to institute and enforce policies and procedures which will safeguard the confidentiality of taxpayer information.

Section 106 directs that funds shall be available for improved facilities and increased manpower to provide sufficient and effective 1–800 telephone assistance and that the Commissioner shall continue to make this a priority.

Section 107 provides that no field support reorganization shall be undertaken in Aberdeen, SD, until the IRS toll-free help phone line assistance program reaches at least an 80 percent service level, certified by the Commissioner.

Section 108 provides that no reorganization of the field office structure of the Internal Revenue Service Criminal Investigation Division will result in a reduction of criminal investigators in Wisconsin from the 1996 level.

Section 109 prohibits the Secretary of the Treasury from expending funds to collect a tax liability by levy on a State-limited entry permit unless the Secretary has determined that the levy will facilitate the full collection of the liability.

U.S. SECRET SERVICE

SALARIES AND EXPENSES

Appropriations, 1997	\$531,288,000
Budget estimate, 1998	575,971,000
Committee recommendation	570,809,000

The Committee recommends an appropriation of \$570,809,000 for the U.S. Secret Service in fiscal year 1998. This amount is \$39,521,000 above the fiscal year 1997 enacted level.

SECRET SERVICE FUNCTIONS

Investigations, protection, and uniformed activities.—The Service must provide for the protection of the President of the United States, members of his immediate family, the President-elect, the Vice President, or other officer next in the order of succession to the Office of the President, and the Vice President-elect, and the members of their immediate families unless the members decline such protection; protection of the person of a visiting head and accompanying spouse of a foreign state or foreign government and, at the direction of the President, other distinguished foreign visitors to the United States and official representatives of the United States performing special missions abroad; the protection of the person of former Presidents, their spouses and minor children unless such protection is declined. The Service is also responsible for the detection and arrest of persons engaged in counterfeiting, forging, or altering of any of the obligations or other securities of the United States and foreign governments; the investigation of thefts and frauds relating to Treasury electronic fund transfers; fraudulent use of debit and credit cards; fraud and related activity in connection with Government identification documents; computer fraud;

food coupon fraud; and the investigation of personnel, tort claims, and other criminal and noncriminal cases.

The Secret Service Uniformed Division protects the Executive Residence and grounds in the District of Columbia; any building in which White House offices are located; the President and members of his immediate family; the official residence and grounds of the Vice President in the District of Columbia; the Vice President and members of his immediate family; foreign diplomatic missions located in the Washington metropolitan area; and the Treasury Building, its annex and grounds, and such other areas as the President may direct on a case-by-case basis.

Presidential candidate protective activities.—The Secret Service is authorized to protect major Presidential and Vice Presidential candidates, as determined by the Secretary of the Treasury after consultation with an advisory committee. In addition, the Service is authorized to protect the spouses of major Presidential and Vice Presidential candidates; however, such protection may not commence more than 120 days prior to the general Presidential election.

The Committee has provided \$6,568,000 for continued White House security enhancements, \$1,623,000 for fixed site and security maintenance, \$2,830,000 for LAN replacement, \$1,000,000 for year 2000 date conversion, \$6,100,000 for FLEWUG/SNET, and \$6,700,000 for vehicle replacement. The Committee has agreed to the administration's request to transfer \$5,000,000 for anticounterfeiting from the violent crime reduction trust fund to this account.

IDENTITY-BASED CRIME PREVENTION

The Committee is concerned with the growing number of identity-based crimes in the United States. In 1994 alone, Federal and State officials spent an estimated \$3,500,000,000 on 350,000 cases of fraud, counterfeiting, and forgery, much of which is identity-based. The U.S. Government, citizens, and businesses lose well over \$25,000,000,000 per year in identity-based crimes. The Committee recognizes that the Secret Service has the primary Federal law enforcement jurisdiction in combating these crimes. Additionally, the Secret Service has demonstrated a leadership role in providing risk analysis of various identity-based crimes. Based upon this demonstrated success in this area, the Committee provides \$1,460,000 in order for the Secret Service to provide technical assistance and to assess the effectiveness of this new technology which is intended to combat identity-based crimes. This technology is being developed in an effort to better verify identification securely and quickly, and will reduce crime in financial transactions.

MISSING AND EXPLOITED CHILDREN

The Committee has included funding from the violent crime trust fund for the Service's operational costs of the Exploited Child Unit, associated with its continued efforts with the National Center for Missing and Exploited Children.

ACQUISITION, CONSTRUCTION, IMPROVEMENT AND RELATED EXPENSES

Appropriations, 1997	\$37,365,000
Budget estimate, 1998	9,176,000
Committee recommendation	9,176,000

The Committee recommends an appropriation of \$9,176,000 for the "Acquisition, construction, improvement and related expenses" account in fiscal year 1998. This amount equals the budget estimate.

DEPARTMENT OF THE TREASURY

GENERAL PROVISIONS

The Committee recommends that certain general provisions be included in the Senate bill. The provisions do the following:

Section 111 pertains to reprogramming instructions for unobligated funds.

Section 112 authorizes certain basic services within the Treasury Department in fiscal year 1998, including purchase of uniforms; maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; and contracts with the Department of State for health and medical services to employees and their dependents serving in foreign countries.

Section 113 requires that funds provided to ATF for fiscal year 1998 will be expended in such a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

Section 114 authorizes transfers, up to 2 percent, between law enforcement appropriations under certain circumstances.

Section 115 authorizes transfers, up to 2 percent, between Departmental Offices, Office of Inspector General, Financial Management Service, and the Bureau of the Public Debt appropriations under certain circumstances.

Section 116 requires the reimbursement of Secret Service personnel for certain fees and costs.

Section 117 adjusts the compensation for the Secretary of the Treasury. This adjustment will take effect with the appointment of the next Secretary.

The Committee understands that when former Secretary of the Treasury Lloyd Bentsen assumed the Office of the Secretary, the pay of that position was reduced by Public Law 103-2 (107 Stat. 4 (1993)), in order to avoid the prohibition in article 1, section 6, clause 2 of the Constitution. The Constitution does not allow a Senator or Representative to be appointed to any office whose emoluments or pay have been increased as a result of congressional action during the tenure of that Senator or Representative. The Committee has included bill language to prospectively remedy this situation which will go into effect for the next Secretary.

Section 118 establishes a consolidated pay system for the Uniformed Division of the Secret Service.

Section 119 repeals section 117 of the fiscal year 1997 appropriation dealing with the second private sector debt collection project.

Section 120 designates the Port of Kodiak, AK, as a port of entry and waives the requirement of the U.S. Customs Service to estab-

lish a full-time office. The Committee intends to minimize costs to the U.S. Customs Service by allowing the Customs Service office in Anchorage, AK, to use existing personnel to perform Customs functions in Kodiak on an as-needed basis.

TITLE II—U.S. POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

Appropriations, 1997	\$90,463,000
Budget estimate, 1998	86,274,000
Committee recommendation	86,274,000

The Committee has recommended an appropriation of \$86,274,000 in fiscal year 1998 for payment to the Postal Service fund. This amount is equal to the President's budget request.

Revenue forgone on free and reduced-rate mail enables postage rates to be set at levels below the unsubsidized rates for certain second-class, third-class, and fourth-class mail as authorized by subsections (c) and (d) of section 2401 of title 39, United States Code. Free mail for the blind and overseas voters will continue to be provided at the funding level recommended by the Committee.

The funding provided by the Committee is allocated for the following purposes: \$57,274,000 for free mail for the blind and overseas voters and \$29,000,000 for the reimbursement to the Postal Service for subsidies provided for the revenue forgone program.

The Committee includes provisions in the bill that would assure that mail for overseas voting and mail for the blind shall continue to be free; that 6-day delivery and rural delivery of mail shall continue at the 1983 level; and that none of the funds provided be used to consolidate or close small rural and other small post offices in fiscal year 1998. These are services that must be maintained in fiscal year 1998 and beyond. The Committee believes that, despite the lack of public service appropriations, these critical postal services are the linchpin of services that the public deserves and expects.

PEST INTRODUCTIONS

The Committee directs the Postal Service to continue its work with the U.S. Department of Agriculture and the Hawaii Department of Agriculture. This effort is directed at combating the recent introduction of plant and animal pests and diseases into the State of Hawaii through the U.S. mail system. Such introductions have severe consequences for U.S. agriculture, biodiversity, and public health and safety.

NEWARK, NJ

The Committee understands that the Postal Service is interested in constructing a carrier and retail facility in the University Heights redevelopment area of Newark, NJ. The Committee supports this effort but understands that the Postal Service cannot move ahead with this project until funding has been authorized through the appropriate Committees for the cleanup of the environmental hazardous waste.

PAYMENT TO THE POSTAL SERVICE FUND FOR NONFUNDED
LIABILITIES

Appropriations, 1997	\$35,536,000
Budget estimate, 1998	34,850,000
Committee recommendation	34,850,000

The Committee has recommended an appropriation of \$34,850,000 in fiscal year 1998 for payment to the Postal Service fund for nonfunded liabilities. This amount is equal to the President's budget request.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND
FUNDS APPROPRIATED TO THE PRESIDENT

SUMMARY

The President's fiscal year 1998 budget request for the 14 accounts funded under this title totals \$485,225,000. This amount is \$61,884,000 above the total fiscal year 1997 appropriations.

These 14 accounts include: Compensation of the President, Office of Administration, the White House Office, the Executive Residence at the White House, the Official Residence of the Vice President, Special Assistance to the President, the Council of Economic Advisers, the Office of Policy Development, the National Security Council, the Office of Administration, the Office of Management and Budget, the Office of National Drug Control Policy, high-intensity drug trafficking areas, and unanticipated needs. For accounts included in this title, the Committee recommends a total funding level of \$429,826,000 for fiscal year 1998, equal to the total funding level requested by the President.

COMPUTER SYSTEMS MODERNIZATION

The Committee has funded requests from the White House in previous years for modernizing computer systems. The Committee feels that the President should be provided with the support to operate at the highest levels of efficiency. However, it is necessary to have a plan and blueprint for modernization efforts, so that computer equipment is not procured for the sake of being state of the art. The Committee has included the funding the President has requested for automation enhancements, but has fenced all funding for requests over \$50,000 pending the submission and approval of a systems architecture, milestone schedule, and estimate of funds required.

COMPENSATION OF THE PRESIDENT

Appropriations, 1997	\$250,000
Budget estimate, 1998	250,000
Committee recommendation	250,000

The fiscal year 1998 budget request for compensation of the President is \$250,000. This amount includes \$200,000 for the direct salary of the President as authorized by 3 U.S.C. 102, and a \$50,000 expense account for official expenses, with any unused portions reverting to the Treasury. This expense account is not considered as taxable to the President.

The Committee recommends the full budget request of \$250,000 for compensation of the President.

THE WHITE HOUSE OFFICE
SALARIES AND EXPENSES

Appropriations, 1997	\$40,193,000
Budget estimate, 1998	51,199,000
Committee recommendation	51,199,000

The Committee recommends an appropriation of \$51,199,000 for the White House Office. The Committee recommendation equals the budget estimate.

These funds provide the President with staff assistance and provide administrative services for the direct support of the President. Public Law 95-570 authorizes appropriations for the White House Office and codifies the activities of the White House Office. In addition, the Committee has fenced \$873,000 of the funds appropriated in anticipation of a system architecture, milestone schedule, and an estimate of the funds required to support the capital investment.

WHITE HOUSE COMMUNICATIONS AGENCY

As requested by the administration, the Committee has included \$9,800,000 for the reimbursement of support services to the White House Office from the White House Communications Agency [WHCA]. These funds have been transferred from the Department of Defense in accordance with Public Law 104-201, the 1997 Defense Authorization Act.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE
OPERATING EXPENSES

Appropriations, 1997	\$7,827,000
Budget estimate, 1998	8,045,000
Committee recommendation	8,045,000

The Committee recommends an appropriation of \$8,045,000 for the Executive Residence at the White House. The Committee recommendation equals the budget estimate.

These funds provide for the care, maintenance, refurnishing, improvement, heating, and lighting, including electrical power and fixtures, of the Executive Residence.

The Executive Residence staff provides for the operation of the Executive Residence. A staff of 36 domestic employees accomplish general housekeeping, prepare and serve meals, greet visitors, and provide services as required in support of official and ceremonial functions. A staff of 33 tradespersons, including plumbers, carpenters, painters, on a single shift; electricians on a double shift; and operating engineers on a 24-hour basis, maintains and makes repairs, minor modifications, and improvements to the 132 rooms and the mechanical systems, and provides support for official and ceremonial functions.

A staff of 12 specialized employees provide services necessary to the operation of the White House and official and ceremonial functions. This staff includes four florists, four curators, and four calligraphers.

An administrative staff consists of the chief usher, four assistant ushers, one executive grounds superintendent, one operating accountant, and one administrative officer. This staff is charged with

management and administrative functions of the Executive Residence. This requires coordination with the Executive Office of the President, the National Park Service, the military, the U.S. Secret Service, the General Services Administration, and other agencies.

During larger events, the Executive Residence staff is assisted by contract personnel under personal services contract agreements (service by agreement) to provide additional help as required for official and ceremonial functions.

WHITE HOUSE REPAIR AND RESTORATION

Appropriations, 1997	
Budget estimate, 1998	\$200,000
Committee recommendation	200,000

The Committee recommends an appropriation of \$200,000 for White House repair and restoration. The Committee recommendation equals the budget estimate.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

Appropriations, 1997	\$3,280,000
Budget estimate, 1998	3,378,000
Committee recommendation	3,378,000

The Committee recommends an appropriation of \$3,378,000 for special assistance to the President. The Committee recommendation equals the budget estimate.

The "Special assistance to the President" account was established on September 26, 1970, to enable the Vice President to provide assistance to the President. This assistance takes the form of directed and special Presidential assigned functions.

The objective of the Office of the Vice President is to efficiently and effectively advise, assist, and support the President in the areas of domestic policy, national security affairs, counsel, administration, press, scheduling, advance, special projects, and assignments. Assistance is also provided for the wife of the Vice President.

The Vice President also has a staff funded by the Senate to assist him in the performance of his duties in the legislative branch.

The level of funding recommended by the Committee will allow for 21 full-time permanent positions in fiscal year 1998 or the same as funded in fiscal years 1996–97.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

Appropriations, 1997	\$324,000
Budget estimate, 1998	334,000
Committee recommendation	334,000

The Committee recommends an appropriation of \$334,000 for the official residence of the Vice President. This amount equals the budget estimate.

The "Official Residence of the Vice President (residence)" account was established by Public Law 93–346 on July 12, 1974. The residence is located on the grounds of the Naval Observatory in the

District of Columbia and serves as a facility for official and ceremonial functions and as a home for the Vice President and his family.

The objective of the "Residence" account is to provide for the care of, operation, maintenance, refurnishing, improvement, and heating and lighting of the residence and to provide such appropriate equipment, furnishings, dining facilities, services, and provisions as may be required to enable the Vice President to perform and discharge the duties, functions, and obligations associated with his high office.

Funds to renovate the residence are provided to the residence through the Department of the Navy budget. The Committee has had a longstanding interest in the condition of the residence and expects to be kept fully apprised by the Vice President's office of any and all renovations and alterations made to the residence by the Navy.

The funding level provided by the Committee will support one full-time equivalent position or the same level as funded in fiscal years 1996–97.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

Appropriations, 1997	\$3,439,000
Budget estimate, 1998	3,542,000
Committee recommendation	3,542,000

The Committee recommends an appropriation of \$3,542,000 for salaries and expenses of the Council of Economic Advisers. The Committee recommendation equals the budget estimate.

The activities of the Council are set forth in the Employment Act of 1946. They include the following: To assist and advise the President in the preparation of the "Economic Report"; to gather and analyze timely information concerning current and prospective economic developments and report regularly to the President on the relationship of these developments to the achievement of maximum employment, production, and purchasing power as prescribed in the act; to appraise and report to the President on the extent to which the various programs and activities of the Federal Government contribute to the carrying out of the purposes of the act; to develop and recommend to the President national economic policies to foster and promote competitive enterprise, to avoid economic fluctuations, and to maintain maximum employment, production, and purchasing power; and to make such studies, reports, and recommendations on Federal economic policy and legislation as the President may request.

In carrying out these duties, the Council consults regularly with other Government agencies and departments, as well as the Congress, and representatives of business, labor, consumers, agriculture, State, and local governments, and the economics profession. In addition, the members and staff of the Council are frequently called upon to serve on Cabinet Council working groups in a wide variety of fields.

Included in the Council's staff is a statistical unit which is responsible for the monthly publication "Economic Indicators" and the preparation of the statistical material in the annual "Economic

Report of the President,” as well as for providing continuous assistance to the Council and professional staff.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

Appropriations, 1997	\$3,867,000
Budget estimate, 1998	3,983,000
Committee recommendation	3,983,000

The Committee recommends \$3,983,000 for the Office of Policy Development. The Committee recommendation equals the budget estimate.

The Office of Policy Development supports the National Economic Council and the Domestic Policy Council, in carrying out their responsibilities to advise and assist the President in the formulation, coordination, and implementation of economic and domestic policy. The Office of Policy Development also provides support for other domestic policy development and implementation activities as directed by the President.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

Appropriations, 1997	\$6,648,000
Budget estimate, 1998	6,648,000
Committee recommendation	6,648,000

The Committee recommends an appropriation of \$6,648,000 for the salaries and expenses of the National Security Council [NSC]. The Committee recommendation equals the budget estimate.

The primary purpose of the Council is to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security. Subject to direction by the President, it is the responsibility of the Council to assess and appraise the objectives, commitments, and risks of the United States in relation to actual and potential military power, to consider policies on matters of common interest to the departments and agencies of the Government, and to make recommendations and other reports to the President.

The funding level provided by the Committee will support 60 full-time equivalent positions, or the same as the fiscal years 1996–97 levels for the normal activities of the NSC.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

Appropriations, 1997	\$26,100,000
Budget estimate, 1998	28,883,000
Committee recommendation	28,883,000

The Committee recommends an appropriation of \$28,883,000 for the Office of Administration in fiscal year 1998. The Committee recommendation equals the budget estimate.

The Office of Administration [OA] was created by Reorganization Plan No. 1 of 1977 and formally established by Executive Order 12028. The purpose of the Office of Administration provides finan-

cial and personnel management services, information management, library and records management services, and general services support to all agencies within the Executive Office of the President [EOP] and upon request, services in direct support of the President.

The Office of Administration is composed of six functional divisions which are: Personnel Management Division, Financial Management Division, Administrative Operations Division, Library and Research Services Division, the Information Services and Technology Division, and Facilities Management Division. Of the funding provided for the Office of Administration, \$2,000,000 of the funds may not be obligated until the director has submitted a systems architecture, milestone schedule, and an estimate of the funds required to support the capital investment.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

Appropriations, 1997	\$55,573,000
Budget estimate, 1998	57,240,000
Committee recommendation	57,240,000

The Committee recommends an appropriation of \$57,240,000. The Committee recommendation equals the budget estimate.

The Office of Management and Budget [OMB] assists the President in the discharge of his budgetary, management, and other executive responsibilities.

National security and international affairs; general Government; natural resources, energy, and science; human resources; and health and personnel.—Agency programs, budget requests, and management activities are examined, appropriations are apportioned, proposed changes in agency functions are studied, and special analyses aimed at establishing goals and objectives that would result in long- and short-range improvements in the agencies' financial, administrative, and operational management are conducted. Implementation of Governmentwide policies as developed by the statutory management offices is carried out. Governmentwide supply and facility acquisition, credit and cash management, and personnel management policies are evaluated. Also, leadership and support is provided for program evaluation and Federal-State-local relations.

Director's office/OMB-wide offices.—Executive direction and coordination for all Office of Management and Budget activities is provided. This includes the Director's immediate office as well as staff support in the areas of administration, public affairs, legislative reference, legislative affairs, economic policy, budget review, and general counsel. Budget instructions and procedures are developed, review of agency estimates is coordinated, budget data systems are maintained, agency financial management plans are reviewed, the budget document is prepared, and scorekeeping is accomplished.

Financial management.—Governmentwide policy guidance for financial statements, financial systems, and internal controls is provided to agencies; evaluation of agency performance and progress is carried out; and a Governmentwide financial management plan is prepared.

Information and regulatory affairs.—Agency proposals to implement or revise Federal regulations and information collection requirements are reviewed and coordinated. Information resource management and statistical policies and practices are analyzed and developed.

Procurement policy.—The Office of Federal Procurement Policy is responsible for promoting economy, efficiency, and effectiveness in the procurement of property and services by and for the executive branch.

TRANSCRIPT REVIEW

The Committee has continued language in the bill that would prohibit OMB from altering certain transcripts. The Committee is very concerned about the timeliness of administration responses to questions the Committee asks for the record during the hearing cycle. When agencies are queried, the most often cited reason is that the answers have not yet cleared OMB. The Committee is not naive enough to believe that OMB is solely to blame for these delays. However, because of OMB's position, it is important that answers to these questions are responded to in a timely manner. The Committee directs OMB to work with all departments and agencies to ensure the Committee is given the courtesy of timely responses.

YEAR 2000 SOFTWARE CONVERSION

The Committee continues to have significant concerns regarding the Government's ability to have its computer systems ready for the century date conversion in the year 2000. Specifically, the Committee is concerned that the Governmentwide estimate of \$2,300,000,000 for the conversion is understated and that agencies are not allowing adequate time for the validation of the converted systems. Therefore, the Committee directs OMB to report to the Senate Committee on Appropriations and the Senate Committee on Governmental Affairs, on a quarterly basis, on the progress being made on the year 2000 conversion. The reports should include a summary of agency costs to date, and a summary of agency validation schedules, in addition to contingency plans in the event the validation schedule is not met. Finally, the Committee directs OMB to identify other Governmentwide systems that are date sensitive as part of the first quarterly report provided to the Committees by January 1, 1998.

TECHNOLOGY INVESTMENT INITIATIVES

The Committee strongly supports OMB Directive M-97-02, dated October 25, 1996, regarding Governmentwide technology investment initiatives. The Committee urges OMB to continue aggressive oversight of agency technology needs and to submit only those requests which meet the criteria set forth in the directive in the President's fiscal year 1999 budget request.

ENERGY CONSERVATION

The Committee continues to believe that the Federal Government needs to give greater priority to reducing the energy costs as-

sociated with the facilities it owns, leases, and operates. Therefore, the Committee directs that the report which was required by the Committee in Public Law 104–208 be furnished annually. The Committee further directs that the acquisition of all energy conservation measures or related services by any Federal agency should be obtained in a competitive manner.

The Committee provides that no funds in this act, or any other act hereinafter enacted, may be used for the sole source procurement of energy conservation measures or any related services applied to Federal buildings pursuant to part 3 of title V (42 U.S.C. 8251 et seq.) and title VIII (42 U.S.C. 8287 et seq.) of the National Energy Conservation Policy Act or section 201(a) of the Federal Property and Administrative Services Act (40 U.S.C. 481(a)) or section 2801(a) of Public Law 102–484 (10 U.S.C. 2865(d)). However, the special procurement authorities under section 8(a) of the Small Business Act (15 U.S.C. 637a) shall remain available for the acquisition of energy conservation measures or any related services by any Federal agency.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

Appropriations, 1997	\$35,838,000
Budget estimate, 1998	36,016,000
Committee recommendation	36,016,000

The Committee recommends an appropriation of \$36,016,000. This recommendation equals the budget estimate.

The Office of National Drug Control Policy [ONDCP] was established pursuant to section 1002 of the Anti-Drug Abuse Act of 1988, Public Law 100–690. The ONDCP is the President's primary executive branch agency for drug policy and program oversight. The Director is charged by law with the formulation, evaluation, coordination, and oversight of both international and domestic anti-drug abuse functions of all executive branch agencies, and to ensure that such functions sustain and complement State and local antidrug abuse efforts.

COUNTERDRUG TECHNOLOGY ASSESSMENT CENTER

The Anti-Drug Abuse Act of 1988, Public Law 100–690, was amended during 1990 to provide for the establishment of a Counterdrug Technology Assessment Center within the Office of National Drug Control Policy. This Office is authorized to serve as the central counternarcotics enforcement research and development organization of the U.S. Government. The law provides for the appointment of a chief scientist to head up this new center, to make a priority ranking of scientific needs according to fiscal and technological feasibility as part of the national counterdrug enforcement research and development strategy.

The Committee has provided \$26,500,000, including funding through VCRTF, for counternarcotics research and development projects in fiscal year 1998.

The Committee expects multiagency research and development programs to be coordinated by the Counterdrug Technology Assess-

ment Center in order to prevent duplication of effort and to assure that whenever possible, those efforts provide capabilities that transcend the need of any single Federal agency. Prior to the obligation of these funds, the Committee expects to be notified by the chief scientist on how these funds will be spent; it also expects to receive periodic reports from the chief scientist on the priority counterdrug enforcement research and development requirements identified by the Center and on the status of projects funded by CTAC.

The Committee believes CTAC should work closely and cooperatively with the individual law enforcement agencies in the definition of a national research and development program which addresses agency requirements with respect to timeliness, operational utility, and consistency with agency budget plans. CTAC should develop a true blueprint for the program to include identification and assignment of priority projects, expected results, and funding projections based on agency priorities and expected results. This effort should be led by CTAC with input, review, and consensus from drug control agencies. The blueprint should include descriptions of the necessary conference and outreach efforts. The national blueprint shall also include the rationale for allocation of funding among demand, supply, and State and local efforts. The Committee expects agencies to support CTAC by defining the expected value of the projects they advocate and placing them in the context with agency and national goals and programs. Agencies should also identify the expected cost and benefits of procuring sufficient quantities of equipment under development, assuming it is successful. The Committee believes CTAC should recognize the ultimate requirements for technology procurement if technology development is successful and advocate funding requests for such equipment. Finally, the Committee believes CTAC should recognize and support agency contributions to research and development and work to strengthen those capabilities.

UNANTICIPATED NEEDS

Appropriations, 1997	
Budget estimate, 1998	\$1,000,000
Committee recommendation	

The Committee recommendation is \$1,000,000 less than the budget request.

FUNDS APPROPRIATED TO THE PRESIDENT

FEDERAL DRUG CONTROL PROGRAMS

HIGH-INTENSITY DRUG TRAFFICKING AREAS

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 1997	\$127,102,000
Budget estimate, 1998	140,207,000
Committee recommendation	140,207,000

The Committee recommends an appropriation of \$140,207,000. This amount is equal to the President's request.

Section 1005 of the Anti-Drug Abuse Act of 1988 authorized the Director of ONDCP to designate certain areas in the United States, as high-intensity drug trafficking areas [HIDTA's] for the purpose

of providing increased Federal assistance to alleviate drug-related problems. The most critical drug trafficking areas of the country are designated as HIDTA's.

There are currently 15 HIDTA's: New York, Miami, Houston, Los Angeles, Baltimore-Washington metropolitan area, Puerto Rico-Virgin Islands, the Southwest border, Chicago, Atlanta, Philadelphia-Camden, the gulf coast, Lake County, IN, the Midwest (Iowa, Kansas, Missouri, Nebraska, South Dakota), the Pacific Northwest (Washington Cascades), and the Rocky Mountain (Colorado, Utah, Wyoming). The Committee directs that funding shall be provided for the existing HIDTA's at no less than the fiscal year 1997 level.

A total of not less than \$71,000,000 is provided in this account specifically for assistance to State and local drug control agencies in the 15 HIDTA's. In allocating these funds, the Committee expects the Director of the Office of National Drug Control Policy to ensure that the activities receiving these limited additional resources are used strictly for implementing the strategy for each HIDTA, taking into consideration local conditions and resource requirements. These funds should not be used to supplant existing support for ongoing Federal, State, or local drug control operations normally funded out of the operating budgets of each agency. The remaining funds may be transferred to Federal agencies and departments to support Federal antidrug activities.

The Committee believes that the Director should take steps to ensure that the HIDTA funds are transferred to the appropriate drug control agencies expeditiously. To ensure that the funding allocations meet the priorities outlined in the strategies, the Committee instructs the Director to submit the strategies, along with the identification of how the funds will be spent, to the Committee for review prior to the obligation of the funds. The Committee also expects to be notified if any changes are made in the spending plans presented to it during the course of the fiscal year. The Committee further instructs the Director to submit the updated 1998 strategies for each of the HIDTA's to the Committee for review and to obligate the HIDTA funds within 120 days of enactment of this act. This provision may be waived if a request is made to the Committee and has been approved in advance according to the normal reprogramming procedures. The Committee expects the Director to take actions necessary to ensure that all HIDTA funds are being used to support only those activities which are directly linked to the individual HIDTA strategies recommended by the HIDTA coordinators and which support the goals and objectives outlined in each of these strategies.

VIOLENT CRIME TRUST FUND

The Committee has provided an additional \$3,000,000 for the HIDTA's in the violent crime trust fund. These funds are intended to supplement the existing funding for the Rocky Mountain HIDTA. The Director is instructed to provide this funding to the Rocky Mountain HIDTA along with full funding level provided for in the 1998 request. The Committee expects the Director to consult the Committee with regard to distribution of funds following established procedures.

SPECIAL FORFEITURE FUND

Appropriation, fiscal year 1997	\$112,900,000
Budget estimate, fiscal year 1998	175,000,000
Committee recommendation	145,300,000

The Committee recommends an appropriation of \$145,300,000. This amount is \$32,400,000 more than the fiscal year 1997 request.

The special forfeiture fund was established by the Anti-Drug Abuse Act of 1988, as amended, to be administered by the Director of the Office of National Drug Control Policy. While the fund was originally authorized to receive deposits from the Department of Justice assets forfeiture fund and the Treasury forfeiture fund, its current source of funding is "General fund" appropriations.

Of the funds provided, \$110,000,000 is for a national media campaign to reduce and prevent drug use among young Americans, \$10,000,000 shall be to initiate a program of matching grants to drugfree communities, as authorized by the Drug-Free Communities Act of 1997, \$10,000,000 is to continue and expand the methamphetamine reduction efforts, \$6,000,000 is for the establishment of a Federal drugfree prison demonstration project, and \$9,300,000 is provided to continue to support the reduction of drug use for those involved in the criminal justice system.

NATIONAL MEDIA CAMPAIGN

ONDCP proposed a 5-year media campaign at a total cost to the Federal Government of \$875,000,000. An explicit assumption of this proposal is that the Federal funds will be matched by private contributions. Together, this will represent an investment of nearly \$1,800,000,000. Although the Committee is pleased that the administration has revived its commitment to drug-reduction efforts, the Committee is disappointed in the lack of information and planning efforts associated with this proposal that has been provided to the Committee. The Committee believes the national media campaign proposed by the administration is meritorious; however, the Committee also believes that fully funding this program at the requested level is premature at this time. As a result, this Committee has provided \$110,000,000 to conduct a national media campaign.

In order to ensure accountability, the Committee requires the Director of ONDCP to certify that these funds will neither displace nor replace current antidrug community-based coalition efforts, and that no funds will be used for partisan political purposes. Additionally, the Committee requires ONDCP to develop a system to measure success in terms of outcomes of the campaign and report to Congress on their progress within 1 year. The Committee believes that quantifiable performance measures should capture the use of all categories of drugs as well as changes in the attitudes of youth toward drug use.

The Committee directs ONDCP to assess all media vehicles available for this campaign including, but not limited to, broadcast and print media, and the Internet. Further, the Committee believes ONDCP should consult with media and drug experts, such as the Ad Counsel and the Partnership for a Drug-Free America, in an effort to draw from the experience and expertise of individuals and organizations that have experience in this field. The Committee be-

lieves that close consultation with the private sector on the development and implementation of this national campaign is critical to its success.

The Committee believes this national media campaign, if properly executed, has the potential to produce concrete results. The Committee will closely track this national campaign and its contribution to achieving a drugfree America, and directs ONDCP to submit quarterly reports on the obligation of funds as well as the specific parameters of the pilot campaign. The Committee anticipates that future funding will be based upon results.

DRUG-FREE COMMUNITIES ACT OF 1997

The accelerating rate of drug use by young Americans is a major concern that must be addressed. The Committee, therefore, provides \$10,000,000 to support the initiation of matching grants to drugfree communities, as authorized in the Drug-Free Communities Act of 1997. These funds will be used to support the establishment of local counterdrug efforts that are characterized by strong conditions for local initiatives, support, and accountability. In addition, the requirement for participating communities to match funding will help ensure the degree of commitment necessary to succeed.

METHAMPHETAMINE FUNDING

The Committee recognizes the importance of drug interdiction initiatives being conducted high-intensity drug trafficking areas [HIDTA's], especially their role in coordinating the activities of State and local agencies in our Nation's war against drugs. The Committee is concerned about statistics which reveal the proliferation of methamphetamine [meth] use in the Midwest and Rocky Mountain regions. The rural Midwest and Rocky Mountains are a popular location for the manufacture as well as distribution and transportation of methamphetamine throughout these areas. As a result, the Committee directs ONDCP to conduct a pilot in Colorado and Wisconsin to address this issue and encourages ONDCP to work with local law enforcement, police, and sheriffs to improve efforts to combat the meth problem.

REDUCING DRUG USE AMONG THOSE INVOLVED IN THE CRIMINAL JUSTICE SYSTEM

The Committee would like to continue the work that was done by the Office of National Drug Control Policy by providing \$9,300,000 for further development of this program. The Committee expects that the program will continue to target a reduction in drug use, crime, and violence by linking criminal justice and drug treatment systems.

TITLE IV—INDEPENDENT AGENCIES

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

Appropriations, 1997	\$1,800,000
Budget estimate, 1998	1,940,000
Committee recommendation	1,940,000

The Committee recommends \$1,940,000 for the Committee for Purchase From People Who Are Blind or Severely Disabled [CPPBSD]. The Committee recommendation equals the budget estimate.

The CPPBSD was established by the Javits-Wagner-O'Day Act of 1971. The CPPBSD's primary objective is to increase the employment opportunities for the blind and other severely handicapped and, whenever possible, to prepare them to engage in normal competitive employment. The CPPBSD determines which commodities and services are suitable for Government procurement from qualified, nonprofit agencies serving the blind and other severely handicapped; publishes a procurement list of such commodities and services; determines the fair market price for commodities and services on the procurement list; and makes rules and regulations necessary to carry out the purposes of the act.

The CPPBSD staff supervises the selection and assignment of new commodities and services, assists in establishing prices, reviews and adjusts these prices, verifies the qualifications of workshops, and monitors their performance.

The Committee recognizes the importance of the Javits-Wagner-O'Day [JWOD] Act in providing much needed employment opportunities to blind and other severely handicapped Americans, while at the same time providing quality goods and services to the Federal Government at fair market prices.

In this regard, the Committee intends that CPPBSD, in its monitoring of the designated central nonprofit agencies, assure that all funds acquired by each such agency from nonprofit agencies for the blind and other severely handicapped in conjunction with the Javits-Wagner-O'Day Program be used solely for activities that are consistent with the goal of the program, which is to generate employment and training opportunities for persons who are blind or have other severe disabilities.

The Congress further recognizes that research, promotional, and advocacy efforts aimed at strengthening and expanding the program are both a statutory and necessary function in order for the Committee for Purchase From People Who Are Blind or Severely Disabled to fulfill its obligations under the JWOD Act. The Congress supports efforts by the CPPBSD to initiate such research and advocacy activities.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

Appropriations, 1997	\$28,165,000
Budget estimate, 1998	34,516,000
Committee recommendation	29,000,000

The Committee recommends an appropriation of \$29,000,000 for the Federal Election Commission [FEC]. The Committee recommendation is \$5,516,000 below the budget request.

The Federal Election Commission is charged with implementing and enforcing the Federal Election Campaign Act [FECA] as amended. This includes: promoting public disclosure of campaign finance activity; providing information to the public, press, and campaign officials on the FECA and campaign finance; obtaining voluntary compliance with the disclosure and limitation provisions of the FECA; and enforcing that disclosure and compliance through audits, investigations, and/or litigation. The Commission is also charged with implementing the Presidential campaign funding programs for both primary and general election campaigns of qualified Presidential candidates. This includes certification, audit, and enforcement of the provisions of the Federal funding legislation concerning the use of Federal funds.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

Appropriations, 1997	\$21,588,000
Budget estimate, 1998	22,039,000
Committee recommendation	22,039,000

The Committee recommends an appropriation of \$22,039,000 for the Federal Labor Relations Authority [FLRA]. This amount is equal to the budget request.

The FLRA was established to administer title VII of the Civil Service Reform Act of 1978 and to serve as a neutral third party in the resolution of labor-management disputes arising among unions, employees, and Federal agencies. The effective resolution of these labor-management disputes has an important impact on the operations of the Government. These disputes arise with nearly all agencies of the executive branch, the Library of Congress, and the Government Printing Office, in locations throughout the United States and overseas.

Authority members.—Provides leadership in the establishment of policies and guidance relating to matters under title VII of the Civil Service Reform Act of 1978. Specifically, the authority is empowered to: (1) determine the appropriateness of units for labor organization representation; (2) supervise or conduct elections to determine whether a labor organization has been selected as an exclusive representative by a majority of the employees in an appropriate unit; (3) otherwise administer the provisions relating to the according of exclusive recognition to labor organizations; (4) prescribe criteria and resolve issues relating to the granting of national consultation rights; (5) prescribe and resolve issues relating to determining compelling need for agency rules and regulations; (6) resolve issues relating to the duty to bargain in good faith; (7)

prescribe criteria relating to the granting of consultation rights with respect to conditions of employment; (8) conduct hearings involving complaints of unfair labor practices; (9) resolve exceptions to arbitrators' awards; and (10) take such other actions as necessary and appropriate to effectively administer the provisions of title VII of the Civil Service Reform Act of 1978.

General Counsel.—Has discharged responsibilities mandated in the Federal service-management relations statute and additional responsibilities which are delegated from the authority. The functions of the Office of the General Counsel are to: (1) investigate all alleged unfair labor practices under the Federal service labor-management relations statute and under the foreign service labor-management relations statute; (2) exercise final authority over the issuance of all complaints and the prosecution of all complaints arising under the statutes listed above; (3) review and decide all appeals of decisions of the regional directors refusing to issue complaint; (4) exercise delegated authority for investigating and taking dispositive action on all representation petitions; (5) exercise delegated authority for supervising or conducting all representation elections and certifying the results of these elections to the parties; (6) exercise delegated authority for conducting hearings in all representation petitions where issues of fact are in dispute; (7) exercise delegated authority for the preparation of final decisions and orders based on the hearings held in representation cases; and (8) manage regional offices, including directing and supervising all employees of the regional offices. The regional offices are located in Atlanta, Boston, Chicago, Dallas, Denver, San Francisco, and Washington, DC. Subregional offices are located in Philadelphia, New York, Los Angeles, and Cleveland.

Federal services impasses panel [FSIP].—An entity within the FLRA, assists Federal agencies and unions representing Federal employees in resolving impasses which arise in labor negotiations. The FSIP assists the parties through informal meetings, factfinding and, if necessary, arbitration. The professional staff aids the panel members by promptly investigating requests for assistance; bringing about informal settlements; conducting factfinding and arbitration hearings; and drafting report recommendations as well as binding decisions for the FSIP members. Further, the staff supports the Foreign Service impasses disputes panel in resolving negotiation impasses arising under the Foreign Service Act of 1980.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND—LIMITATIONS ON AVAILABILITY OF REVENUE

CONSTRUCTION AND ACQUISITION

Limitation on availability of revenue, 1997	\$657,711,000
Limitation on availability of revenue, 1998	
Committee recommendation	

The Committee recommends no revenues coming into the Federal buildings fund [FBF] be used for new construction or acquisition in fiscal year 1998. As a result of a shortfall to the fund, revenues

normally used to provide for new construction or acquisition are being applied to previously authorized projects.

The Committee agrees with the administration's proposal, the consequence of which is at least a 1-year moratorium on new construction. Due to the inability of GSA to accurately calculate the amount of income coming into the FBF and to correctly estimate the completion date of construction projects, the administration and the Congress have, in past appropriations action, assumed a greater level of funds available for FBF activities than was actually collected.

The Committee is further concerned at GSA's inability to complete a revised RENT system. Since agencies are currently developing fiscal year 1999 budget requests, the lack of a revised system indicates the problems existing within the FBF will not be resolved expeditiously. Because the Committee could not fund any new construction projects, including site acquisition, in fiscal year 1998 based on GSA's 5-year courthouse construction plan, it fully intends to begin with those prioritized projects when funding becomes available.

DENVER, CO

The Administrator of General Services is directed to report to the Committee within 60 days of enactment of this act on a proposal for the reacquisition of the parcel of land on block 111, East Denver, Denver, CO, which was sold at public auction by the Federal Government in 1988.

COURTHOUSE CONSTRUCTION

The Committee takes this opportunity to congratulate the General Services Administration, as well as the Administrative Office of the Courts [AOC] for their efforts reducing the cost of construction of Federal courthouses. Questions have arisen in the past about the need and scope of courthouse construction. Significant strides have been made over the past year. The Committee required the AOC to provide a 5-year plan outlining in priority order the need for court space.

The Committee has included a provision requiring that no funds made available shall be used to transmit a fiscal year 1999 request for U.S. courthouse construction that does not meet the design guide standards for construction established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget. In addition, the request must reflect the priorities of the Judicial Conference and set out its approved 5-year construction plan. Finally, the fiscal year 1999 request must be accompanied by a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.

WHITE OAK, MD

The Committee strongly supports the consolidation of the Food and Drug Administration [FDA] at the White Oak Naval Surface Warfare Center in Maryland and directs the General Services Administration [GSA] to proceed expeditiously in developing a busi-

ness plan and implementation strategy to provide new space and facilities for the FDA. Furthermore, the Committee urges GSA to continue working with the Food and Drug Administration to identify potential sources of funds required to complete the project in a timely manner.

CENTERS FOR DISEASE CONTROL AND PREVENTION

The Committee recognizes the public health mission of the Centers for Disease Control and Prevention [CDC] and commends CDC for its history of success in preventing and responding to the public health concerns of the country. The Committee is also aware of the delay in the construction of the CDC's new laboratory and research facilities as a result of the lack of available General Services Administration funds in fiscal year 1998 for new construction. The CDC fee laboratory, located in Atlanta, GA, is currently in the first of a two-phase construction project to replace their current facility. The Committee recognizes the need for the completion of this facility and urges GSA to give the project priority consideration within GSA's new construction guidelines.

The Committee also recognizes that the Division of Vector-Borne Infectious Diseases [DVID] for the Centers for Disease Control and Prevention [CDC], in Fort Collins, CO, is responsible for surveillance, prevention and control of vector-borne viral and bacterial diseases. The current facility is 30 years old and has numerous age-related biosafety and security issues which need to be addressed for the purposes of CDC's public health and safety mission. The Committee recognizes the complication of the situation in that CDC leases its DVID laboratory space. Therefore, the Committee urges GSA to continue to work with CDC in developing a solution to CDC's DVID laboratory facilities needs.

REPAIRS AND ALTERATIONS

Limitation on availability, 1997	\$639,000,000
Limitation on availability, 1998	434,000,000
Committee recommendation	350,000,000

The Committee recommends new obligational authority of \$350,000,000 for repairs and alterations in fiscal year 1998. The Committee recommendation is \$84,000,000 below the budget estimate.

Under this activity, the General Services Administration [GSA] executes its responsibility for repairs and alterations [R&A] of both Government-owned and leased facilities under the control of GSA. The major goal of this activity is to provide commercially equivalent space to tenant agencies. Safety, quality, and operating efficiency of facilities are given primary consideration in carrying out this responsibility. A major portion of the fiscal year 1998 program is devoted to nondiscretionary work necessary to meet this goal and keep the buildings in an occupiable condition.

R&A workload requirements originate with scheduled onsite inspections of buildings by qualified regional engineers and building managers. The work identified through these inspections is programmed in order of priority into the repairs and alterations construction automated tracking system [RACATS] and incorporated into a 5-year plan for accomplishment, based upon funding avail-

ability, urgency, and the volume of R&A work that GSA has the capability to execute annually. Beginning in fiscal year 1995, design and construction services activities associated with the repair and alteration projects are funded in this account.

The R&A program, for purposes of funds control, is divided into two types of projects—line item and nonlinear item. The following is a definition of each category of projects:

Line item projects.—Line item projects are those larger projects for which a prospectus is required under the provisions of the Public Buildings Act of 1959. Generally, line item projects are similar to construction projects in the scope of work involved and the multiyear timeframe for project completion. Line item projects are listed individually in GSA's appropriations acts and the obligational authority for each project is limited to the amount shown therein.

Nonlinear item projects.—Projects included in this category are generally short term in nature and funds can normally be obligated within a 1-year period. This category also includes projects which are recurring in nature, such as cyclic painting and the minor repair of defective building systems; for example, mechanical, plumbing, electrical, fire safety, and elevator system components.

PROSPECTUS LEVEL REPAIRS AND ALTERATIONS

Due to the Federal buildings fund [FBF] inability to predict rent revenue for fiscal year 1997, utilizing accurate technical assumption to determine construction completion dates and to project the impact of downsizing on agencies space requirements the fund can not support prospectus level repairs and alterations in fiscal year 1998. Over the past 5 years the funding of building modernizations, to ensure the proper maintenance of the Federal Government's assets, has been a priority for both the administration and Congress. GSA, through the application of inaccurate financial information, has created a situation where this priority program will be halted in fiscal year 1998. As a result, the Committee is displeased and concerned that GSA is not able to carry out its stewardship role of maintaining the Federal assets for the future.

In the past the FBF has been able to function as a quasi-revolving fund with agencies rents paying for the necessary repairs, alterations, operations, and rental of space. This system obviously is not working. As a result, the Committee directs GSA to include in its revised rent system an identifiable component which will provide funding for the modernization of each Federal facility at the end of its useful life, which is typically considered to be at least 30 years. In addition, GSA will report, by December 30, 1997, to the House and Senate Committees on Appropriations on the feasibility of developing repair and alteration sinking funds to ensure the necessary funds are available when needed.

Below is the list of line item projects recommended for funding by the Committee for fiscal year 1998.

Repairs and alterations:

Chlorofluorocarbons program	\$50,000,000
Basic repairs and alterations	300,000,000

BUILDING SECURITY ENHANCEMENTS

The Committee has included the funding requested by the administration to enhance Federal building security. The Committee expects to be kept apprized of the plans for security, as well as the cooperation of tenant agencies, in efforts to better secure Federal facilities. The GSA should also make every effort to seek out and utilize the most modern technology in this effort. The Committee urges the GSA to address the costs of retrofitting Federal facilities with security window film to mitigate potential losses, as stipulated in the June 28, 1995, Presidential memorandum, and report to the Committee, as a part of the fiscal year 1999 budget submission.

PHILADELPHIA, PA

The Committee is aware of the need for repairs to the Byrne-Greene Federal complex in Philadelphia, PA. It is estimated that \$12,500,000 will be required to undertake this necessary work. The Committee urges the General Services Administration to give priority consideration to the need for repairs at the Byrne-Greene Federal complex, consistent with General Services Administration's repairs and alterations priority projects.

PITTSBURGH, PA

The Committee is also aware of the need for repairs to the U.S. Post Office and courthouse in Pittsburgh, PA. It is estimated that \$3,600,000 will be required for the design of this project. The Committee urges the General Services Administration to give priority consideration to the need for repairs at the Pittsburgh Post Office and courthouse, consistent with General Services Administration's repairs and alterations priority projects.

AVONDALE, MD

The Committee is aware of concerns about trespassing, vandalism, and the general deteriorating condition of the former Bureau of Mines property in Avondale, MD. The Committee understands that GSA is in the process of disposing of the property and directs GSA to maintain the necessary level of security to ensure that the buildings and grounds are protected until such time as the property is disposed.

INSTALLMENT ACQUISITION PAYMENTS

Limitation on availability, 1997	\$173,075,000
Limitation on availability, 1998	142,542,000
Committee recommendation	142,542,000

The Committee recommends a limitation of \$142,542,000 for installment acquisition payments. The Committee recommendation equals the budget estimate.

The Public Buildings Amendments of 1972 enables GSA to enter into contractual arrangements for the construction of a backlog of approved but unfunded projects. The purchase contracts require the Government to make periodic payments on these facilities over varying periods until title is transferred to the Government. This activity provides for the payment of principal, interest, taxes, and

other required obligations related to facilities acquired pursuant to the Public Buildings Amendments of 1972 (40 U.S.C. 602a).

RENTAL OF SPACE

Limitation on availability, 1997	\$2,343,795,000
Limitation on availability, 1998	2,275,340,000
Committee recommendation	2,275,340,000

The Committee recommends a limitation of \$2,275,340,000 for rental of space. The Committee recommendation is equal to the budget estimate.

The General Services Administration is responsible for leasing general purpose space and land incident thereto for Federal agencies, except cases where the GSA has delegated its leasing authority (for example, the Department of Veterans Affairs, as well as the Departments of Agriculture, Commerce, and Defense). The GSA's policy is to lease privately owned buildings and land only when: (1) Federal space needs cannot be otherwise accommodated satisfactorily in existing Government-owned or leased space; (2) leasing proves to be more efficient than the construction or alteration of a Federal building; (3) construction or alteration is not warranted because requirements in the community are insufficient or are indefinite in scope or duration; or (4) completion of a new Federal building within a reasonable time cannot be assured.

BUILDING OPERATIONS

Limitation on availability, 1997	\$1,552,651,000
Limitation on availability, 1977	1,331,789,000
Committee recommendation	1,331,789,000

The Committee recommends a limitation of \$1,331,789,000 for building operations. The Committee recommendation is equal to the budget estimate.

This activity provides for the operation of all Government-owned facilities under the jurisdiction of the GSA and building services in GSA-leased space where the terms of the lease do not require the lessor to furnish such services. Services included in building operations are cleaning, protection, maintenance, payments for utilities and fuel, grounds maintenance, and elevator operations. Other related supporting services include various real property management and staff support activities such as space acquisition and assignment; the moving of Federal agencies as a result of space alterations in order to provide better space utilization in existing buildings; onsite inspection of building services and operations accomplished by private contractors; and various highly specialized contract administration support functions.

The space, operations, and services referred to above are furnished by the GSA to its tenant agencies in return for payment of rent. Due to considerations unique to their operation, the GSA also provides varying levels of above-standard services in agency headquarter facilities, including those occupied by the Executive Office of the President, such as the east and west wings of the White House.

POLICY AND OPERATIONS

SALARIES AND EXPENSES

Appropriations, 1997	\$110,173,000
Budget estimate, 1998	104,487,000
Committee recommendation	104,487,000

The Committee recommends an appropriation of \$104,487,000 for salaries and expenses for the policy and operations of the General Services Administration. The Committee recommendation equals the budget request.

The Committee provides full funding for Governmentwide policy and evaluation functions associated with asset management activities; utilization and donation of surplus personal property; Governmentwide and internal responsibilities related to automated data development, telecommunications, and information systems. The Office of Governmentwide Policy shall work cooperatively with other agencies to provide the leadership necessary to achieve the most cost-effective solutions for the delivery of administrative services.

CHILD CARE CENTERS

The Committee recommends that of the funds provided the Office of Policy and Oversight, up to \$900,000 be used to issue and enforce regulations requiring any entity operating a child care center in a facility owned or leased by an executive agency to (1) comply with applicable State and local licensing requirements related to the provision of child care and (2) comply with center-based accreditation standards specified by the Administrator, if such a regulatory program is authorized.

SURPLUS EQUIPMENT TO SCHOOLS AND EDUCATIONAL INSTITUTIONS

The Committee urges the General Services Administration, in line with its responsibilities for the disposal of excess and surplus Federal personal property, to promote and foster the transfer of excess and surplus computer equipment directly to schools and to the appropriate nonprofit, community-based educational organizations. The GSA should communicate with other Federal agencies to heighten their ongoing awareness of the existing opportunities at both the national and local levels to meet the needs of the schools for such equipment and work with agencies to ensure that the equipment is conveyed to the school or organization quickly and at the least cost to the institution. The Committee further directs GSA to work with the regional Federal executive boards providing guidance and assistance to help establish regional clearinghouses of information on the availability of excess computer surplus equipment in each region. This information should be made readily available to schools.

FEDERAL OFFICE BUILDING IN COLORADO SPRINGS

The Federal Building located at 1520 Willamette Avenue in Colorado Springs, CO, is owned by GSA and is currently leased to the U.S. Air Force Space Command. It is the Committee's understanding that Space Command is considering options to vacate the facil-

ity when its lease expires at the end of fiscal year 1998. In the event that Space Command does not renew its lease and the facility becomes vacant and is deemed surplus, the Committee urges GSA to strongly consider the United States Olympic Committee's need for additional space and to give priority to the USOC's request to gain title or acquire the property.

OFFICE OF INSPECTOR GENERAL

Appropriations, 1997	\$33,863,000
Budget estimate, 1998	33,870,000
Committee recommendation	33,870,000

The Committee recommends an appropriation of \$33,870,000 for the Office of Inspector General, which equals the budget estimate.

The Office of Inspector General [OIG] implements in its entirety the provisions of the Inspector General Act.

Consistent with the Inspector General Act, the OIG has been given total responsibility for the audit and investigative functions of the agency. Its mission is to detect and investigate all instances of fraud and abuse and assure that proper corrective action is taken. The Office is also charged with the responsibility for reporting on waste, inefficiency, and mismanagement, and making recommendations for improvement.

Audit services provided by the OIG fall within two broad categories: audits of GSA contracts and internal audits, including inspections. Through the preaward and postaward auditing of GSA contracts, the OIG provides professional advice on accounting and financial matters related to the negotiation, award, administration, repricing, and settlement of contracts. Internal audits deal with all facets of GSA operations.

Inspections services provide detailed technical evaluations of GSA operations. The investigations program provides for the detection and investigation of illegal or unethical activities against GSA by its employees, vendors doing business with the agency, and by other individuals or groups of individuals.

The Inspector General Act also requires that the inspectors general move beyond their traditional role of detecting and preventing fraud, waste, and abuse, to also assume responsibility for promoting economy and efficiency. The GSA Office of Inspector General has a unique role within the Federal structure in that its activities affect all Federal agencies and several State programs. The broadened mandate requires increased emphasis on more effective involvement with other governmental agencies, identification of systemic problems, participation in the design of new programs, review of proposed legislation and regulations, and employee awareness programs.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Appropriations, 1997	\$2,180,000
Budget estimate, 1998	2,250,000
Committee recommendation	2,208,000

The Committee recommends \$2,208,000 for allowances and office staff for former Presidents. This recommendation is \$42,000 less than the budget request.

This program is authorized by the Former Presidents Act, Public Law 85-745 (3 U.S.C. 102 note), of August 25, 1958, as amended. It provides for an annual pension paid monthly to each former President and each widow of a former President; compensation for staff assistants employed by each former President; and funding for office space, furnishings, and equipment as appropriate (defined under CG Decision B-114073, Mar. 8, 1961). The Supplemental Appropriations Act of October 21, 1968, Public Law 90-608, 82 Stat. 1192, allows for travel and related expenses for each former President and not to exceed two members of his staff. Title 39 U.S.C. 3214 authorizes a former President and widow to send all mail in the United States and its territories as franked mail. Under the Presidential Transition Act, section 3(a)(7), each former President may use penalty mail.

This appropriation provides for the pensions, office staffs, and related expenses for former Presidents Gerald R. Ford, Jimmy Carter, Ronald Reagan, and George Bush and for the pension and postal franking privileges for the widow of former President Lyndon B. Johnson.

Below is listed a detailed breakdown of the fiscal year 1998 funding:

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS, FISCAL YEAR 1998

	Former Presidents				Widows	Total
	Ford	Carter	Reagan	Bush		
Personnel compensation	\$96,000	\$96,000	\$96,000	\$96,000	.....	\$384,000
Personnel benefits	25,000	5,000	24,000	41,000	.....	95,000
Benefits for former personnel:						
Pensions	148,000	148,000	148,000	148,000	\$20,000	612,000
Travel	50,000	2,000	26,000	50,000	.....	128,000
Rental payment to General Services Administration	75,000	90,000	270,000	136,000	.....	571,000
Communications, utilities, miscellaneous charges:						
Telephone	17,000	30,000	15,000	24,000	.....	86,000
Postage	6,000	19,000	10,000	12,000	2,000	49,000
Printing	6,000	1,000	14,000	7,000	.....	28,000
Other services	24,000	78,000	75,000	52,000	.....	229,000
Supplies and materials	8,000	11,000	16,000	11,000	.....	46,000
Equipment .....	.....	16,000	3,000	3,000	.....	22,000
Total obligations	455,000	469,000	697,000	580,000	22,000	2,250,000

GSA GENERAL PROVISIONS

The Committee has recommended the inclusion of the following general provisions:

Section 401 authorizes GSA to credit accounts with certain funds received from Government corporations.

Section 402 authorizes GSA to use funds for the hire of passenger motor vehicles.

Section 403 authorizes GSA to transfer funds within the Federal buildings fund for meeting program requirements.

Section 404 modifies the provision which limits funding for courthouse construction which does not meet certain standards of a capital improvement plan.

Section 405 continues the provision providing no funds may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided, to any agency which does not pay the requested rate.

Section 406 includes a new provision repealing section 10 of Public Law 100-440 which sets a limit on the number of employees in the FPS.

Section 407 includes a new provision which allows pilot information technology projects to be repaid from the information technology fund.

Section 408 continues the provision ensuring the materials used for the facade on the U.S. Courthouse Annex, Savannah, GA, project are compatible with the existing building.

Section 409 includes a new provision repealing section 6 of Public Law 103-123.

Section 410 includes a new provision to repeal section 1555 of Public Law 103-355.

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

Appropriations, 1997	
Budget estimate, 1998	\$2,000,000
Committee recommendation	

The Committee recommends no funding for this project.

JOHN F. KENNEDY ASSASSINATION REVIEW BOARD

SALARIES AND EXPENSES

Appropriations, 1997	\$2,150,000
Budget estimate, 1998	1,600,000
Committee recommendation	1,600,000

The Committee recommends \$1,600,000 for fiscal year 1998 for salaries and expenses of the John F. Kennedy Assassination Review Board. The Committee recommendation equals the budget request.

The John F. Kennedy Assassination Review Board was established by Public Law 102-526, the John F. Kennedy Assassination Records Collection Act of 1992. The Board facilitates the public disclosure of previously public or privately held records relating to the assassination of President Kennedy. In addition, the Board is assisting in dispelling longstanding myths and controversies surrounding the assassination of President Kennedy through the release of previously sequestered records.

This final appropriation for the Review Board includes \$100,000 for the prompt and orderly termination of the John F. Kennedy Assassination Record Review Board to be concluded no later than September 30, 1998.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

Appropriations, 1997	\$23,923,000
Budget estimate, 1998	24,450,000
Committee recommendation	24,810,000

The Committee recommends an appropriation of \$24,810,000 for the Merit Systems Protection Board. The Committee recommendation is \$360,000 greater than the budget estimate. This funding level reflects MSPB's request for additional funding to meet workload increases. This funding does not provide for additional investments in capital equipment.

The Merit Systems Protection Board is an independent, quasi-judicial agency, charged by Congress with protecting the integrity of Federal merit systems against partisan political and other prohibited personnel practices, ensuring adequate protection for employees against abuses by agency management, and requiring executive branch agencies to make employment decisions based on individual merit. This mission is carried out principally by: (1) adjudicating employee appeals of agency personnel actions, such as removals, suspensions, and demotions; (2) adjudicating actions brought by the special counsel involving alleged abuses of the merit systems; (3) adjudicating actions brought under the Whistleblower Protection Act; (4) ordering compliance with final orders where necessary; (5) conducting special studies of the civil service and other merit systems in the executive branch to determine whether they are free of prohibited personnel practices; (6) analyzing and reporting on the significant actions of the Office of Personnel Management [OPM]; and (7) reviewing regulations issued by OPM to ensure they do not require or result in the commission of a prohibited personnel practice.

LIMITATION

(TRANSFER OF FUNDS)

Appropriations, 1997	\$2,430,000
Budget estimate, 1998	2,430,000
Committee recommendation	2,430,000

The Committee has recommended a limitation of \$2,430,000 on the amount to be transferred from the civil service retirement and disability fund to the Board to cover administrative expenses to adjudicate retirement appeals cases. This amount equals the budget request.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

Appropriations, 1997	\$196,963,000
Budget estimate, 1998	206,479,000
Committee recommendation	206,479,000

The Committee recommends an appropriation of \$206,479,000. The Committee recommendation is equal to the budget estimate.

The National Archives and Records Administration became an independent agency on April 1, 1985. This appropriation provides

for basic operations dealing with management of the Government's archives and records, operation of Presidential libraries, grants for historical publications, and for the review for declassification of all security classified information.

Records center.—The records center activity provides for the accessioning, storage, reference service, and disposal of the semiactive and noncurrent records of Federal agencies through a nationwide system of 14 records centers. Significant savings result from use of low-cost records storage and the efficient and timely disposal of nonpermanent records.

Archives and related services.—This activity provides for selecting, preserving, describing, and making available to the general public, scholars, and Federal agencies, the permanently valuable historical records of the Federal Government and the historical material in Presidential libraries, related publications and exhibit programs, and the appraisal of all Federal records. It also provides for the publication of the Federal Register and Code of Federal Regulations, the U.S. Statutes at Large, Presidential documents, and for a program to improve the quality of regulations and the public's access to them. It provides for the National Audiovisual Center's audiovisual information and management programs. It also provides for the systematic review of all classified records in the National Archives which are over 30 years old, except intelligence and cryptological materials dated after 1945, which are to be reviewed when 50 years old.

Program direction.—This activity provides for general direction and program support for all programs assigned to the National Archives and Records Administration [NARA]. Direction is provided by the Archivist, his staff, and the Office of Management and Administration.

ALASKA GOLD RUSH RECORDS COLLECTION

Alaskan communities are preparing to celebrate the centennial of the Alaska Gold Rush of 1898, the best known and publicized of the gold rushes in Alaska. Within the funds provided, the Committee recommends that the National Archives consider providing \$50,000 to the National Archives—Alaska Region to prepare an interpretive exhibition on their Alaska gold rush records collection.

ARCHIVES FACILITIES AND PRESIDENTIAL LIBRARIES REPAIR AND RESTORATION

Appropriations, 1997	\$16,229,000
Budget estimate, 1998	6,650,000
Committee recommendation	13,650,000

The Committee recommends an appropriation of \$13,650,000. The Committee recommendation is \$7,000,000 above the budget estimate.

This account provides for the repair, alteration, and improvement of the Archives facilities and Presidential libraries nationwide, and for providing adequate storage for archival holdings nationwide. It will better enable the National Archives to provide adequate storage for holdings, to maintain its facilities in proper condition for public visitors, researchers, and employees in NARA facilities, and to maintain the structural integrity of the buildings.

TRUMAN LIBRARY

The Committee has provided \$4,000,000 within this appropriation for the repair, alteration, and improvements of the Truman Library in Independence, MO.

LBJ LIBRARY

The Committee has provided \$3,000,000 for internal repairs to the Lyndon Baines Johnson Presidential Library located at the University of Texas at Austin. While it is understood that the LBJ Library structure is a responsibility of the University of Texas, the funds provided would be properly applied to improvements to the internal structure of the Library facility.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

Appropriations, 1997	\$5,000,000
Budget estimate, 1998	4,000,000
Committee recommendation	5,000,000

The Committee recommends an appropriation of \$5,000,000. The Committee recommendation is \$1,000,000 above the budget request.

The National Historical Publications and Records Commission [NHPRC] reviews and recommends project grants to Federal and State governments and private nonprofit institutions, chiefly universities and research libraries. It makes plans, estimates, and recommendations for the publication of important historical documents and works with various public and private institutions in collecting, editing, and publishing papers significant to the history of the United States. The Commission is composed of members appointed by, and representing, the President, Congress, Supreme Court, executive agencies, and historical and archival societies.

FOUNDING FATHERS' PAPERS

The Committee is pleased with the decision by the National Historical Publications and Records Commission to restore top level priority in its strategic plan for projects to publish the papers of America's Founding Fathers.

ALASKA GOLD RUSH RECORDS INVENTORY AND ACCESS PROJECT

Alaskan communities are preparing to celebrate the centennial of the Alaska Gold Rush of 1898, the best known and publicized of the gold rushes in Alaska. Among the projects developed by the Alaska gold rush centennial task force is a statewide cooperative community project, Alaska gold rush records inventory and access project, which would allow for the identification and processing of a significant quantity of historically significant Alaska gold rush records currently in local depositories in Alaska's many remote communities. This project would greatly increase public access and appreciation of these historical materials. Within the funds provided, the Committee recommends that the NHPRC consider a grant of \$100,000 to the Alaska gold rush centennial projects.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

Appropriations, 1997	\$8,078,000
Budget estimate, 1998	8,265,000
Committee recommendation	8,265,000

The Committee recommends an appropriation of \$8,265,000 for salaries and expenses of the Office of Government Ethics in fiscal year 1998. This amount equals the budget request.

Public Law 100-598 authorized the establishment of the Office of Government Ethics as an independent executive branch agency separate and apart from the Office of Personnel Management beginning October 1, 1989.

The Office of Government Ethics functions primarily in six areas, pursuant to the Ethics in Government Act of 1978. Those areas are:

- Regulatory authority for conflict of interest and postemployment statutes, standards of conduct, and financial disclosure programs throughout the executive branch;
- Public financial disclosure review and certification for all advice and consent Presidential appointees, and the monitoring of ethics agreements which are executed incident to that review to prevent ethics violations;
- Education and training to promote understanding among agency ethics officials and employees, as well as the general public;
- Guidance and interpretation concerning the conflict of interest statutes, standards of conduct, and financial disclosure, through advisory opinions, telephone advice, and consultation with agency ethics officials;
- Enforcement by monitoring and auditing agency ethics programs, and ordering corrective action where appropriate; and
- Evaluation of the effectiveness of ethics laws and regulations, as well as agency implementation.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

Appropriations, 1997	\$87,286,000
Budget estimate, 1998	85,350,000
Committee recommendation	85,350,000

The Committee recommends an appropriation of \$85,350,000 for the salaries and expenses of the Office of Personnel Management. The Committee recommendation equals the budget estimate.

The Office of Personnel Management's primary responsibilities include the Employment Service, Executive Resource, Investigations Service, Human Resources Systems Service, and the Merit Systems oversight and effectiveness programs. OPM also has administrative responsibility for the President's Commission on White House Fellowships, the Federal Prevailing Rate Advisory Committee, and parts of the Voting Rights Program.

The Committee has funded the initiatives requested by the administration, as outlined in the budget justification, plus the functions and personnel transferred from the General Accounting Office, subsequent to enactment of Public Law 104-53.

HEALTH PROMOTION AND DISEASE PREVENTION

The Committee instructs OPM to expend up to \$300,000 in fiscal year 1998 to continue and expand efforts to ensure that Federal employees and their families have ready access to health promotion and disease prevention activities. The Committee continues to be aware that the U.S. prevention services task force has reported that substituting behavioral interventions in ways to maintain good health could be more likely to reduce morbidity and mortality in this country than any other category of clinical intervention. The Committee expects the OPM to continue to utilize the unique expertise that has been demonstrated by the University of Hawaii in this project.

VOTING RIGHTS ACT

The Committee continues to include a provision requested by the administration to allow Federal employees acting as Voting Rights Act observers to receive per diem at their permanent duty station. This provision makes it feasible for these observers to work in local areas and allow the Government to discontinue the practice of recruiting observers from distant location and assuming the per diem, as well as travel costs.

LIMITATION

(TRANSFER OF FUNDS)

Limitation, 1997	\$94,736,000
Budget estimate, 1998	91,236,000
Committee recommendation	91,236,000

The Committee recommends a limitation of \$91,236,000. This amount equals the budget request.

These funds will be transferred from the appropriate trust funds of the Office of Personnel Management to cover administrative expenses for the retirement and insurance programs.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriations, 1997	\$960,000
Budget estimate, 1998	960,000
Committee recommendation	960,000

The Committee recommends an appropriation of \$960,000 for salaries and expenses of the Office of Inspector General in fiscal year 1998. This amount equals the budget estimate.

The Office of Inspector General was established as a statutory entity under the Inspector General Act Amendments of 1988, Public Law 100-504, effective April 16, 1989. The Office of Inspector General is charged with establishing policies for conducting and coordinating efforts which promote economy, efficiency, and integrity in the Office of Personnel Management's activities which prevent and detect fraud, waste, and abuse in the agency's programs. Furthermore, as a means of assuring that inspector general offices maintain the ability to function independently within the overall structure of their agencies, the 1988 legislation required a direct

semiannual reporting structure among the inspector general and the agency head and Congress and allowed inspectors general to perform a number of internal management functions, such as budget, personnel, and procurement, separate and apart from the agencies' existing systems. The Office of Inspector General carries out its programmatic mandate in three principal operational areas: audits and inspections of OPM activities and operations; investigations; and followup and reporting.

The administration has requested that funding for operations of the Office of Inspector General be shifted from its current allocation of 60 percent trust funds and 40 percent general funds to 90 percent trust funds and 10 percent general funds to reflect actual costs associated with actual work. This appropriation continues to reflect that change.

(LIMITATION ON TRANSFER FROM TRUST FUNDS)

Limitation, 1997	\$8,645,000
Budget estimate, 1998	8,645,000
Committee recommendation	8,645,000

The Committee recommends a limitation on transfers from the trust funds in support of the Office of Inspector General activities totaling \$8,645,000 for fiscal year 1998, as requested. This amount equals the budget estimate.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH
BENEFITS

Appropriations, 1997	\$4,059,000,000
Budget estimate, 1998	4,338,000,000
Committee recommendation	4,338,000,000

The Committee recommends an appropriation of \$4,338,000,000 for Government payments for annuitants, employees health benefits. The Committee recommendation equals the budget estimate.

This appropriation funds the Government's share of health benefit costs for annuitants and survivors who no longer have an agency to contribute the employer's share. The Office of Personnel Management requests the appropriation necessary to pay this contribution to the employees health benefits fund and the retired employees health benefits fund. These revolving trust funds are available for: (1) the payment of subscription charges to approved carriers for the cost of health benefits protection; (2) contributions for qualified retired employees and survivors who carry private health insurance under the Retired Employees Health Benefits Program; and (3) the payment of expenses incurred by the Office of Personnel Management in the administration of these programs.

Public Law 93-246 provides for Government contributions to enrollees in the Employees Health Benefits Program equal to 60 percent of the unweighted average of the high-option premiums of six large plans. The total obligations for fiscal year 1995 reflect the use of payments made by the U.S. Postal Service to the employees health benefits fund to finance the cost of the Government's contribution for annuitants health benefits as provided in Public Law 100-203. In addition, Public Law 99-272 provides that the Government contribution for health benefits for individuals who first be-

come annuitants by reason of retirement from employment with the U.S. Postal Service on or after October 1, 1986, shall be paid by the U.S. Postal Service.

This appropriation also provides financing for the Government's share of health benefit costs for annuitants and survivors covered under the Retired Employees Health Benefits Program. Public Law 96-156 provides for increased Government contributions toward the subscription charge for health coverage, tied to increases in the cost of part B (medical) of Medicare, for those annuitants who retired prior to July 1, 1960.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE
INSURANCE

Appropriations, 1997	\$33,000,000
Budget estimate, 1998	32,000,000
Committee recommendation	32,000,000

The Committee recommends an appropriation of \$32,000,000 for the Government payment for annuitants, employee life insurance in fiscal year 1998. This amount equals the budget request.

Public Law 96-427, the Federal Employees' Group Life Insurance Act of 1980 requires that all employees under the age of 65 who separate from the Federal Government for purposes of retirement on or after January 1, 1990, continue to make contributions toward their basic life insurance coverage after retirement until they reach the age of 65. These retirees will contribute two-thirds of the cost of the basic life insurance premium, identical to the amount contributed by active Federal employees for basic life insurance coverage. As with the active Federal employees, the Government is required to contribute one-third of the cost of the premium for basic coverage. OPM, acting as the payroll office on behalf of Federal retirees, has requested, and the Committee has provided, the funding necessary to make the required Government contribution associated with annuitants' postretirement life insurance coverage.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Appropriations, 1997	\$7,989,000,000
Budget estimate, 1998	8,336,000,000
Committee recommendation	8,336,000,000

The Committee recommends an appropriation of \$8,336,000,000 for payment to the civil service retirement and disability fund. The Committee recommendation equals the budget estimate.

The civil service retirement and disability fund was established in 1920 to administer the financing and payment of annuities to retired Federal employees and their survivors. The fund covers the operation of the Civil Service Retirement System and the Federal Employees' Retirement System.

The payment to the civil service retirement and disability fund consists of an appropriation and a permanent indefinite authorization to pay the Government's share of retirement costs as defined in the Civil Service Retirement Amendments of 1969 (Public Law 91-93), the Federal Employees' Retirement System Act of 1986 (Public Law 99-335), and the Civil Service Retirement Spouse Equity Act of 1985 (Public Law 98-615). The payment is made di-

rectly from the general fund of the U.S. Treasury, and is in addition to appropriated funds that will be contributed from agency budgets in fiscal year 1998.

Public Law 91-93 provides for an annual appropriation to amortize, over a 30-year period, all increases in Civil Service Retirement System costs resulting from acts of Congress granting new or liberalized benefits, extensions of coverage, or pay raises. However, the effects of cost-of-living adjustments are not amortized. The total current appropriation for fiscal year 1998 is the sum of the annual payments authorized since the law was enacted in 1969 plus the estimated payment resulting from assumed pay raises totaling 3 percent in January 1997. It also includes funding for the annuities of persons employed on the construction of the Panama Canal and widows of former Lighthouse Service employees. The total fiscal year 1998 current appropriation request represents an increase of \$347,000,000 from the amount provided in fiscal year 1997 primarily due to increases in employees' pay.

Public Law 91-93 also provides permanent, indefinite authorization for the Secretary of the Treasury to transfer, on an annual basis, an amount equal to 5 percent interest on the civil service retirement and disability fund's current unfunded liability, calculated based on static economic assumptions, and annuity disbursements attributable to credit for military service. The permanent indefinite authorization in fiscal year 1998 will also include the 10th of 30 annual payments authorized by Public Law 99-335, Federal Employees' Retirement Act of 1986, to amortize the supplemental liability of the Federal Employees' Retirement System [FERS]. It also includes a payment in accordance with Public Law 98-615 which provides for the Secretary of the Treasury to transfer an amount equal to the annuities granted to eligible former spouses of annuitants who died between September 1978 and May 1985, and who did not elect survivor coverage.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

Appropriations, 1997	\$8,116,000
Budget estimate, 1998	8,450,000
Committee recommendation	8,450,000

The Committee recommends an appropriation of \$8,450,000 for the Office of Special Counsel. The Committee recommendation is equal to the budget estimate.

The Office of the Special Counsel is charged with enforcement of certain provisions of the Civil Service Reform Act of 1978 (Public Law 95-454 and 5 U.S.C. 1204-1208). The primary functions of the office are: (1) to investigate and, if appropriate, prosecute before the Merit Systems Protection Board prohibited personnel practices and activities prohibited by other civil service law, rule, or regulation; (2) to investigate and, if appropriate, prosecute prohibited political activities on the part of Federal and covered State and local employees; and (3) to provide employees a protected means of disclosing information concerning wrongdoing in Federal agencies with assurance that the confidentiality of the discloser will be maintained and that appropriate action will be taken.

The statute requires OSC to investigate and, if warranted, prosecute: all allegations of prohibited personnel practices, including reprisal for protected disclosures of information; prohibited political activity; arbitrary or capricious withholding of information under the Freedom of Information Act; involvement of any employee in any prohibited discrimination found by any court or appropriate administrative authority; and any other activity prohibited by civil service law, rule, or regulation. OSC also provides a safe channel for disclosure of information evidencing waste, fraud, and abuse and referral of such information to agencies.

U.S. TAX COURT

SALARIES AND EXPENSES

Appropriations, 1997	\$33,781,000
Budget estimate, 1998	34,293,000
Committee recommendation	34,293,000

The Committee recommends an appropriation of \$34,293,000 for the U.S. Tax Court. This amount equals the budget estimate.

The U.S. Tax Court is an independent judicial body in the legislative branch under article I of the Constitution of the United States. The court is composed of a chief judge and 18 judges. Decisions by the court are reviewable by the U.S. Courts of Appeals and, if certiorari is granted, by the Supreme Court.

In their judicial duties the judges are assisted by senior judges, who participate in the adjudication of regular cases, and by special trial judges, who hear small tax cases and certain regular cases assigned to them by the chief judge.

The court conducts trial sessions throughout the United States, including Hawaii and Alaska.

The U.S. Tax Court hears and decides cases involving Federal income, estate and gift tax deficiencies, and excise taxes relating to public charities, private foundations, qualified pension plans, real estate investment trusts, and windfall profit tax on domestic crude oil. It also renders declaratory judgments regarding the qualification or continuing qualification (including revocations of rulings on the exemptions) of retirement plans.

The Tax Court has jurisdiction to render declaratory judgments with respect to exempt organization status determinations pursuant to section 501(c)(3), Internal Revenue Code, and to enter declaratory judgments on the tax treatment of interest on proposed issues of Government obligations. In addition, the court has jurisdiction over actions to restrain disclosure and to obtain additional disclosure with respect to public inspection of written determinations issued by the Internal Revenue Service, and actions to compel the disclosure of the identity of third-party contacts relating to written determinations made by the Internal Revenue Service.

For 1998, the court proposes a trial program of 340 weeks consisting of 150 weeks of regular trial sessions and 90 weeks of small tax case sessions. In addition, the court plans to schedule special sessions for lengthy trials consisting of approximately 100 weeks.

STATEMENT CONCERNING GENERAL PROVISIONS

Traditionally, the Treasury and General Government appropriation bill has included general provisions which govern both the activities of the agencies covered by the bill, and, in some cases, activities of agencies, programs, and general government activities that are not covered by the bill. Those general provisions that are Governmentwide in scope are contained in title VI of this bill.

The bill contains a number of general provisions that have been carried in this bill for years and which are routine in nature and scope. General provisions in the bill are explained under this section of the report. Those general provisions that deal with a single agency only are shown immediately following that particular agency's or department's appropriation accounts in the bill. Those general provisions that address activities or directives affecting all of the agencies covered in this bill are contained in title V of the bill.

TITLE V—GENERAL PROVISIONS

THIS ACT

Section 501 limiting the use of appropriated funds to the current fiscal year.

Section 502 regarding consultant services.

Section 503 prohibits the use of funds to engage in activities which would prohibit in the enforcement of section 307 of the 1930 Tariff Act.

Section 504 prohibits the transfer of control over the Federal Law Enforcement Training Center.

Section 505 regarding the use of funds for certain propaganda purposes.

Section 506 prohibits use of funds appropriated in this act to prevent the U.S. Postal Service employees from contacting their Member of Congress.

Section 507 permits the Office of Personnel Management to accept donations for the Federal Executive Institute and executive seminar centers.

Section 508 continues the provision concerning the employment rights of Federal employees who return to their civilian jobs after assignment with the Armed Forces.

Section 509 requires compliance with the Buy American Act.

Section 510 states the sense of Congress regarding notice and purchase of American-made products.

Section 511 prohibits an individual from eligibility for Government contracts if a court determines that individual has intentionally fraudulently affixed a “Made in America” label to any product non-American made.

Section 512 provides up to 50 percent of unobligated balances may remain available for authorized purposes in compliance with reprogramming guidelines.

Section 513 prohibits the Executive Office of the President from using appropriated funds to request FBI background investigation reports.

Section 514 continues provision prohibiting Federal workers from receiving weekend or night differential pay for hours which they did not work.

Section 515 gives the Office of Personnel Management more time to study and report to Congress on the methodology for determining cost-of-living allowance [COLA] rates.

Section 516 includes a new provision to authorize the participation of the National Association of Postmasters of the United States in the Federal Employees Health Benefits Program.

TITLE VI—GENERAL PROVISIONS, DEPARTMENTS, AGENCIES, AND CORPORATIONS

The Committee has recommended the inclusion of the following general provisions:

Section 601 continues a provision authorizing agencies to pay travel costs of the families of Federal employees on foreign duty to return to the United States in the event of death or a life threatening illness of an employee.

Section 602 continues a provision requiring agencies to administer a policy designed to ensure that all of its workplaces are free from the illegal use of controlled substances.

Section 603 continues a provision authorizing reimbursement for travel, transportation, and subsistence expenses incurred for training classes, conferences, or other meetings in connection with the provision of child care services to Federal employees.

Section 604 continues a provision regarding price limitations on vehicles to be purchased by the Federal Government.

Section 605 continues a provision allowing funds made available to agencies for travel to also be used for quarters allowances and cost-of-living allowances.

Section 606 continues a provision prohibiting the Government, with certain specified exceptions, from employing non-U.S. citizens whose posts of duty would be in the continental United States.

Section 607 continues a provision ensuring that agencies will have authority to pay the General Services Administration bills for space renovation and other services.

Section 608 continues a provision allowing agencies to finance the costs of recycling and waste prevention programs with proceeds from the sale of materials recovered through such programs.

Section 609 continues a provision providing that funds may be used to pay rent and other service costs in the District of Columbia.

Section 610 continues a provision prohibiting the use of appropriated funds to pay the salary of any nominee after the Senate voted not to approve the nomination.

Section 611 continues a provision precluding interagency financing of groups absent prior statutory approval.

Section 612 continues a provision authorizing the Postal Service to employ guards.

Section 613 continues a provision prohibiting the use of appropriated funds for enforcing regulations disapproved in accordance with the applicable law of the United States.

Section 614 continues a provision limiting the pay increases of certain prevailing rate employees.

Section 615 continues a provision limiting the amount that can be used for redecoration of offices under certain circumstances.

Section 616 continues a provision prohibiting the expenditure of appropriated funds for the acquisition of additional law enforce-

ment training facilities without the advance approval of the Committees on Appropriations.

Section 617 continues a provision permitting interagency funding of national security and emergency preparedness telecommunications initiatives, which benefit multiple Federal departments, agencies, and entities.

Section 618 continues a provision requiring agencies to certify that a schedule C appointment was not created solely or primarily to detail the employee to the White House.

Section 619 continues a provision requiring agencies to administer a policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment.

Section 620 continues a provision prohibiting the use of appropriated funds for travel expenses not directly related to official governmental duties.

Section 621 continues a provision requiring the President to certify that persons responsible for administering the Drug Free Workplace Program are not themselves the subject of random drug testing.

Section 622 prohibits training not directly related to the performance of official duties.

Section 623 continues a provision prohibiting the expenditure of funds for the implementation of agreements in certain nondisclosure policies unless certain provisions are included in the policies.

Section 624 prohibits use of appropriated funds for publicity or propaganda designed to support or defeat legislation pending before Congress.

Section 625 requires the Office of Management and Budget to do an accounting statement and associated report on the cumulative costs and benefits of Federal regulatory programs.

Section 626 prohibits use of appropriated funds by an agency to provide Federal employees home address to labor organizations.

Section 627 prohibits the use of appropriated funds to provide nonpublic information such as mailing or telephone lists to any person or organization outside of the Government.

Section 628 prohibits the use of appropriated funds for publicity or propaganda purposes within the United States not authorized by Congress.

Section 629 prohibits the use of appropriated funds in this or any other act to acquire information technology which does not comply with part 39.106 (year 2000 compliance) of the Federal acquisition regulations.

Section 630 includes a new provision prohibiting the use of appropriated funds for the sole source procurement of energy conservation measures.

Section 631 includes a new provision with respect to the enforceability of gold clauses.

Section 632 includes a new provision requiring the Office of Management and Budget to establish an object class to track costs associated with Federal employee relocation expenses.

The Committee continues to be concerned about the cost of Federal employee relocation. The General Accounting Office stated in a recent report (GGD-97-119) that collecting exact cost information for relocation travel is difficult because such obligations and

expenditures are captured in at least four different object classes along with costs not related to relocation travel. Therefore, in order to be able to capture this information, the Committee has directed OMB to establish a separate object class for these costs.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI, OF THE
STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports on general appropriations bills identify each Committee amendment to the House bill “which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session.”

The Committee recommends the following appropriations which lack authorization:

Department of the Treasury:

Departmental Offices:

Salaries and expenses, \$114,794,000

Automation enhancements, \$29,389,000

Treasury Building and annex, repair and restoration,
\$10,484,000

Financial Crimes Enforcement Network, salaries and ex-
penses, \$22,835,000

Federal Law Enforcement Training Center:

Salaries and expenses, \$64,663,000

Acquisition, construction, improvements, and related ex-
penses, \$13,930,000

Financial Management Service, salaries and expenses,
\$202,490,000

Bureau of Alcohol, Tobacco and Firearms:

Salaries and expenses, \$472,490,000

Laboratory facilities, \$55,022,000

U.S. Customs Service:

Salaries and expenses, \$1,551,028,000

Operation and maintenance, air and marine interdiction
programs, \$92,758,000

Internal Revenue Service:

Processing, assistance, and management, \$2,943,174,000

Tax law enforcement, \$3,153,722,000

Information systems, \$1,272,487,000

Executive Office of the President:

The White House Office, salaries and expenses,
\$51,199,000

Executive Residence at the White House, operating ex-
penses, \$8,045,000

Special Assistance to the President, salaries and ex-
penses, \$3,378,000

Council of Economic Advisers, salaries and expenses,
\$3,542,000

National Security Council, salaries and expenses,
\$6,648,000

Office of Administration, salaries and expenses,
 \$28,883,000
 Office of Management and Budget, salaries and ex-
 penses, \$57,240,000
 Office of National Drug Control Policy, salaries and ex-
 penses, \$36,016,000
 Counterdrug Technology Assessment Center, salaries and ex-
 penses, \$17,000,000
 Counternarcotics research and development projects,
 \$1,000,000
 Counternarcotics, State conferences on model State drug
 laws, \$1,000,000
 High-intensity drug trafficking areas, \$140,207,000
 State and local drug control activities, \$71,000,000
 Federal agency drug control activities, \$69,207,000
 Federal Election Commission, salaries and expenses,
 \$29,000,000
 Federal Labor Relations Authority, salaries and expenses,
 \$22,039,000
 General Services Administration, Federal buildings fund,
 limitations on availability of revenue:
 Repairs and alterations, \$350,000,000
 Nationwide:
 Chlorofluorocarbons program, \$50,000,000
 Basic repairs and alterations, \$300,000,000
 Policy and operations, salaries and expenses, \$104,487,000
 Merit Systems Protection Board, salaries and expenses,
 \$24,810,000
 National Historical Publications and Records Commission,
 \$5,000,000
 Office of Personnel Management, health promotion and dis-
 ease prevention activities, \$300,000
 Office of Special Counsel, salaries and expenses, \$8,450,000
 U.S. Tax Court, salaries and expenses, \$34,293,000

COMPLIANCE WITH PARAGRAPH 7(C), RULE XXVI OF THE STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, the Committee ordered
 reported en bloc S. 1019, an original Legislative Branch appropri-
 ations bill and S. 1023, an original Treasury and General Govern-
 ment appropriations bill, 1998, subject to amendment and subject
 to their budget allocations, and S. 1022, an original Commerce-Jus-
 tice-State appropriations bill, subject to amendment and subject to
 appropriate scoring, by a recorded vote of 28-0, a quorum being
 present. The vote was as follows:

Yeas	Nays
Chairman Stevens	
Mr. Cochran	
Mr. Specter	
Mr. Domenici	
Mr. Bond	
Mr. Gorton	
Mr. McConnell	

Mr. Burns
 Mr. Shelby
 Mr. Gregg
 Mr. Bennett
 Mr. Campbell
 Mr. Craig
 Mr. Faircloth
 Mrs. Hutchison
 Mr. Byrd
 Mr. Inouye
 Mr. Hollings
 Mr. Leahy
 Mr. Bumpers
 Mr. Lautenberg
 Mr. Harkin
 Ms. Mikulski
 Mr. Reid
 Mr. Kohl
 Mrs. Murray
 Mr. Dorgan
 Mrs. Boxer

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE
 STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include “(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee.”

In compliance with this rule, the following changes in existing law proposed to be made by the bill are shown as follows: existing law to be omitted is enclosed in black brackets; new matter is printed in italic; and existing law in which no change is proposed is shown in roman.

* * * * *

OMNIBUS CONSOLIDATED APPROPRIATIONS ACT, 1997

SEC. 113. Section 732 of Public Law 104–132 (110 Stat. 1303; 18 U.S.C. 841 note) is amended—

- (1) * * *
 (2) * * *

* * * * *

“(3) REPORT AND COSTS.—The study conducted under this subsection shall be presented to Congress [12 months] *2 years* after the enactment of this subsection and be made available to the public, including any data tapes or data used to form such recommendations. There are authorized to be appro-

priated such sums as may be necessary to carry out the study.”.

* * * * *

TREASURY DEPARTMENT APPROPRIATIONS ACT, 1997 (PUBLIC LAW 104–208)

TITLE I—DEPARTMENT OF THE TREASURY

GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

* * * * *

【SEC. 117. Of the funds available to the Internal Revenue Service, \$13,000,000 shall be made available to continue the private sector debt collection program which was initiated in fiscal year 1996 and \$13,000,000 shall be transferred to the Departmental Offices appropriation to initiative a new private sector debt collection program; Provided, That the transfer provided herein shall be in addition to any other transfer authority contained in this Act.】

* * * * *

INTERNAL REVENUE SERVICE

* * * * *

INFORMATION SYSTEMS

For necessary expenses for data processing and telecommunications support for Internal Revenue Service activities, including tax systems modernization and operational information systems; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, \$1,323,075,000, [of which no less than \$130,075,000 shall be available for Tax Systems Modernization (TSM) development and deployment] which shall be available until September 30, 1999, and of which no less than \$206,200,000 shall be available for TSM Operational Systems: Provided, That none of the funds made available for TSM Operational Systems shall be available after July 31, 1997, unless the Department of the Treasury has prepared a Request for Proposal which could be used as a base for a solicitation of a contract with an alternative or new Prime Contractor to manage, integrate, test and implement the TSM program: *Provided further*, That all activities associated with the development of a request for proposal, contract solicitation, and contract award for private sector assistance on TSM (both operational systems and development and deployment systems), beyond private sector assistance which is currently under contract, shall be conducted by the Department of the Treasury's Modernization Management Board: *Provided further*, That if the Internal Revenue Service determines that it is unable to meet deadlines established herein, the Secretary of the Treasury shall notify the Committees on Appropriations of the House and the Senate of the delay: *Provided further*, That the Internal Revenue Service shall submit, by February 1, 1997, a timetable for implementing, by October 1,

1997, recommendations made by the General Accounting Office in its July 1995 report, entitled: "Tax Systems Modernization: Management and Technical Weaknesses Must Be Corrected If Modernization Is To Succeed": *Provided further*, That the Internal Revenue Service shall submit, by December 1, 1996, a schedule to transfer, not later than July 31, 1997, a majority of Tax Systems Modernization development, deployment, management, integration, and testing, from the Internal Revenue Service to the private sector.

* * * * *

DISTRICT OF COLUMBIA POLICE AND FIREMEN'S SALARY ACT OF 1958

SEC. 501. (a) * * *

(b)(1) Effective at the beginning at the first applicable pay period commencing on or after the first day of the month in which an adjustment takes effect under section 5305 of title 5, United States Code, in the rates of pay under General Schedule, the annual rate of basic compensation of officers and members of the United States Park Police force shall be adjusted by the Secretary of the [Interior, and the annual rate of basic compensation of officers and members of the United States Secret Service Uniformed Division may be adjusted by the Secretary of the Treasury,] *Interior* by an amount (rounded to the next highest multiple of \$5) equal to the percentage of such annual rate of pay which corresponds to the overall percentage (as set forth in the applicable report transmitted to the Congress under such section 5305) of the adjustment made in the rates of pay under the General Schedule.

(2) No adjustment in the annual rate of basic compensation of such officers and members may be made except in accordance with paragraph (1).

[(c)] (3) Any reference in any law to the salary schedule in section 101 of this Act with respect to officers and members of the United States Park Police force [or to officers and members of the United States Secret Service Uniformed Division] shall be considered to be a reference to such schedule as adjusted in accordance with [subsection (b)] *this subsection*.

"(c)(1) The annual rates of basic compensation of officers and members of the United States Secret Service Uniformed Division, serving in classes corresponding or similar to those in the salary schedule in section 101 (District of Columbia Code, section 4-406), shall be fixed in accordance with the following schedule of rates:

"SALARY SCHEDULE

Salary class and title	Service steps								
	1	2	3	4	5	6	7	8	9
Class 1: Private	29,215	30,088	31,559	33,009	35,331	37,681	39,128	40,593	42,052
Class 4: Sergeant	39,769	41,747	43,728	45,718	47,715	49,713			
Class 5: Lieutenant	45,148	47,411	49,663	51,924	54,180				
Class 7: Captain	52,523	55,155	57,788	60,388					
Class 8: Inspector	60,886	63,918	66,977	70,029					
Class 9: Deputy Chief	71,433	76,260	81,113	85,950					
Class 10: Assistant Chief	84,694	90,324	95,967						

“SALARY SCHEDULE—Continued

Salary class and title	Service steps								
	1	2	3	4	5	6	7	8	9
Class 11: Chief of the United States Secret Service Uniformed Division	98,383	104,923							

“(2) Effective at the beginning of the first applicable pay period commencing on or after the first day of the month in which an adjustment takes effect under section 5303 of title 5, United States Code (or any subsequent similar provision of law), in the rates of pay under the General Schedule (or any pay system that may supersede such schedule), the annual rates of basic compensation of officers and members of the United States Secret Service Uniformed Division shall be adjusted by the Secretary of the Treasury by an amount equal to the percentage of such annual rate of pay which corresponds to the overall percentage of the adjustment made in the rates of pay under the General Schedule.

“(3) Locality-based comparability payments authorized under section 5304 of title 5, United States Code, shall be applicable to the basic pay under this section, except locality-based comparability payments may not be paid at a rate which, when added to the rate of basic pay otherwise payable to the officer or member, would cause the total to exceed the rate of basic pay payable for level IV of the Executive Schedule.

“(4) Pay may not be paid, by reason of any provision of this subsection (disregarding any comparability payment payable under Federal law), at a rate in excess of the rate of basic pay payable for level V of the Executive Schedule contained in subchapter II of chapter 53 of title 5, United States Code.

“(5) Any reference in any law to the salary schedule in section 101 (District of Columbia Code, section 4-406) with respect to officers and members of the United States Secret Service Uniformed Division shall be considered to be a reference to the salary schedule in paragraph (1) of this subsection as adjusted in accordance with this subsection.

“(6)(A) Except as otherwise permitted by or under law, no allowance, differential, bonus, award, or other similar cash payment under this title or under title 5, United States Code, may be paid to an officer or member of the United States Secret Service Uniformed Division in a calendar year if, or to the extent that, when added to the total basic pay paid or payable to such officer or member for service performed in such calendar year as an officer or member, such payment would cause the total to exceed the annual rate of basic pay payable for level I of the Executive Schedule, as of the end of such calendar year.

“(B) This paragraph shall not apply to any payment under the following provisions of title 5, United States Code:

“(i) Subchapter III or VII of chapter 55, or section 5596.

“(ii) Chapter 57 (other than section 5753, 5754, or 5755).

“(iii) Chapter 59 (other than section 5928).

“(7)(A) Any amount which is not paid to an officer or member of the United States Secret Service Uniformed Division in a calendar

year because of the limitation under paragraph (6) shall be paid to such officer or member in a lump sum at the beginning of the following calendar year.

“(B) Any amount paid under this paragraph in a calendar year shall be taken into account for purposes of applying the limitations under paragraph (6) with respect to such calendar year.

“(8) The Office of Personnel Management shall prescribe regulations as may be necessary (consistent with section 5582 of title 5, United States Code) concerning how a lump-sum payment under paragraph (7) shall be made with respect to any employee who dies before an amount payable to such employee under paragraph (7) is made.”.

* * * * *

THE ACT OF AUGUST 15, 1950

AN ACT To provide a five-day week for officers and members of the Metropolitan Police force, the United States Park Police force, and the White House Police Force.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) * * **

* * * * *

(h)(1) No premium pay provided by this Act shall be paid to, and no compensatory time off is authorized for, **[any officer or member]** *an officer or member of the Metropolitan Police force, of the Fire Department of the District of Columbia, or of the United States Park Police* whose rate of basic compensation equals or exceeds the minimum scheduled rate of basic compensation provided for service step 1 in the salary class applicable to the Fire Chief and Chief of Police of the District of Columbia Police and Firemen's Salary Act of 1958, as amended.

(2) In the case of **[any officer or member]** *an officer or member of the Metropolitan Police force, of the Fire Department of the District of Columbia, or of the United States Park Police* whose rate of basic compensation is less than the minimum scheduled rate of basic compensation provided for service step 1 in the salary class applicable to the Fire Chief and Chief of Police of the Police and Firemen's Salary Act of 1958, as amended, such premium pay may be paid only to the extent that such payment would not cause his aggregate rate of compensation to exceed such minimum scheduled rate with respect to any pay period.

“(3)(A) *no premium pay provided by this section shall be paid to, and no compensatory time is authorized for, any officer or member of the United States Secret Service Uniformed Division whose rate of basic pay, combined with any applicable locality-based comparability payment, equals or exceeds the lesser of—*

“(i) 150 percent of the minimum rate payable for grade GS-15 of the General Schedule (including any applicable locality-based comparability payment under section 5304 of title 5, United States Code or any similar provision of law, and any applicable special rate of pay under section 5305 of title 5, United States Code or any similar provision of law); or

“(ii) the rate payable for level V of the Executive Schedule contained in subchapter II of chapter 53 of title 5, United States Code.

“(B) In the case of any officer or member of the United States Secret Service Uniformed Division whose rate of basic pay, combined with any applicable locality-based comparability payment, is less than the lesser of—

“(i) 150 percent of the minimum rate payable for grade GS-15 of the General Schedule (including any applicable locality-based comparability payment under section 5304 of title 5, United States Code or any similar provision of law, and any applicable special rate of pay under section 5305 of title 5, United States Code or any similar provision of law); or

“(ii) the rate payable for level V of the Executive Schedule contained in subchapter II of chapter 53 of title 5, United States Code,

such premium pay may be paid only to the extent that such payment would not cause such officer or member’s aggregate rate of compensation to exceed such lesser amount with respect to any pay period.”

[(3)] (i) Each authorizing official is authorized to promulgate such regulations and issue such orders as are necessary to carry out the intent and purpose of this Act, and to delegate to a designated agent or agents any of the functions vested in the authorizing official by this Act.

* * * * *

FEDERAL LAW ENFORCEMENT PAY REFORM ACT OF 1990

SEC. 405. SAME BENEFITS FOR OTHER LAW ENFORCEMENT OFFICERS.

(a) * * *

(b) This subsection applies with respect to any—

[(1) member of the United States Secret Service Uniformed Division;]

* * * * *

(c) For the purposes of this section, the term “appropriate agency head” means—

[(1) with respect to any individual under subsection (b)(1), the Secretary of the Treasury;]

* * * * *

INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1989 (PUBLIC LAW 100-440)

GENERAL SERVICES ADMINISTRATION—GENERAL PROVISIONS

* * * * *

[SEC. 10. The Administrator of General Services is authorized and directed to hire up to and maintain an annual average of not

less that one thousand full-time equivalent positions for Federal Protective Officers. This shall be accomplished by increasing existing staff levels at the end of fiscal year 1988 at a rate of not less than fifty positions per year until the full-time equivalency of one thousand is attained by not later than fiscal year 1992.】

* * * * *

THE ACT OF AUGUST 25, 1958

An Act to provide retirement, clerical assistants, and free mailing privileges to former Presidents of the United States, and for other purposes.

* * * * *

【SEC. 2. The entitlements of a former President under subsections (b) and (c) of the first section shall be available—

【(1) in the case of an individual who is a former President on the effective date of this section, for 5 years, commencing on such effective date; and

【(2) in the case of an individual who becomes a former President after such effective date, for 4 years and 6 months, commencing at the expiration of the period for which services and facilities are authorized to be provided under section 4 of the Presidential Transition Act of 1968 (8 U.S.C. 102 note.)】

* * * * *

TITLE 39, UNITED STATES CODE

§ 3214. Mailing privilege of former President; surviving spouse of former President

【(a) Subject to subsection (b), a】 A former President and the surviving spouse of a former President may send nonpolitical mail within the United States and its territories and possessions as franked mail. Such mail of a former President and of the surviving spouse of a former President marked “Postage and Fees Paid” in the manner prescribed by the Postal Service shall be accepted by the Postal Service for transmission in the international mails.

【(B) Subsection (a) shall cease to apply—

【(1) 5 years after the effective date of this subsection, in the case of any individual who, on such effective date—

【(A) is a former President (including any individual who might become entitled to the mailing privilege under subsection (a) as the surviving spouse of such a former President); or

【(B) is the surviving spouse of a former President; and

【(2) 4 years and 6 months after the expiration of the period for which services and facilities are authorized to be provided under section 4 of the Presidential Transaction Act of 1968 (3 U.S.C. 102 note), in the case of an individual who becomes a former President after such effective date (including any sur-

viving spouse of such individual, as described in the parenthetical matter in paragraph (1)(A)).】

* * * * *

Section 515 of the title V General Provisions amends section 1 under the subheading “General Provision” under the heading “Office of Personnel Management” under title IV of the Treasury, Postal Service, and General Government Appropriations Act, 1992 (Public Law 102–141; 105 Stat. 861; 5 U.S.C. 5941 note), as amended by section 532 of the Treasury, Postal Service, and General Government Appropriations Act, 1995 (Public Law 103–329; 108 Stat. 2413), and by section 5 under the heading “General Provisions—Office of Personnel Management” under title IV of the Treasury, Postal Service, and General Government Appropriations Act, 1996 (Public Law 104–52; 109 Stat. 490), as follows:

SECTION 1. The Allowance provided to employees at rates set under section 5941 of title 5, United States Code, and Executive Order Numbered 10000 as in effect on the date of enactment of this Act through December 31, [1998] 2000: *Provided*, That no later than March 1, [1998] 2000, the Office of Personnel Management shall conduct a study and submit a report to the Congress proposing appropriate changes in the method of fixing compensation for affected employees, including any necessary legislative changes. Such study shall include—

- (1) an examination of the pay practices of other employers in the affected areas;
- (2) a consideration of alternative approaches to dealing with the unusual and unique circumstances of the affected areas, including modifications to the current methodology for calculating allowances to take into account all costs of living in the geographic areas of the affected employee; and
- (3) an evaluation of the likely impact of the different approaches on the Government’s ability to recruit and retain a well-qualified workforce.

* * * * *

TITLE 31—MONEY AND FINANCE

* * * * *

SUBTITLE IV—MONEY

* * * * *

CHAPTER 51—COINS AND CURRENCY

* * * * *

SUBCHAPTER II—GENERAL AUTHORITY

* * * * *

§ 5118. Gold clauses and consent to sue

(a) In this section—

(1) * * *

* * * * *

(d)(1) In this subsection, "obligation" means any obligation (except United States currency) payable in United States money.

(2) An obligation issued containing a gold clause or governed by a gold clause is discharged on payment (dollar for dollar) in United States coin or currency that is legal tender at the time of payment. This paragraph does not apply to an obligation issued after October 27, 1977. [This paragraph shall apply to any obligation issued on or before October 27, 1977, notwithstanding any assignment or novation of such obligatoin after October 27, 1977, unless all parties to the assignment or novation specifically agree to include a gold clause in the new agreement. Nothing in the preceeding sentence shall be construed to affect the enforceability of a Gold Clause contained in any obligatoin issued after October 27, 1977 if the enforceability of that Gold Clause has been finally adjudicated before the date of enactment of the Economic Growth and Regulatory Paperwork Reduction Act of 1996.]

* * * * *

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949,
AS AMENDED

SEC. 201. PROCUREMENTS, WAREHOUSING, AND RELATED ACTIVITIES.

(a) The Administrator shall, in respect of executive agencies, and to the extent that he determines that so doing is advantageous to the Government in terms of economy, efficiency, or service, and with due regard to the program activities of the agencies concerned—

(1) subject to regulations prescribed by the Administrator for Federal Procurement Policy pursuant to the Office of Federal Procurement Policy Act, prescribe policies and methods of procurement and supply of personal property and nonpersonal services, including related functions such as contracting, inspection, storage, issue, property identification and classification, transportation and traffic management, management of public utility services, and repairing and converting; and

(2) operate, and, after consultation with the executive agencies affected, consolidate, take over, or arrange for the operation by any executive agency of warehouses, supply centers, repair shops, fuel yards, and other similar facilities; and

(3) procure and supply personal property and nonpersonal services for the use of executive agencies in the proper discharge of their responsibilities, and perform functions related to procurement and supply such as those mentioned above in subparagraph (1) of this subsection: *Provided*, That contracts for public utility services may be made for periods not exceeding ten years; and

(4) with respect to transportation and other public utility services for the use of executive agencies, represent such agencies in negotiations with carriers and other public utilities and

in proceedings involving carriers or other public utilities before Federal and State regulatory bodies;
Provided, That the Secretary of Defense may from time to time, and unless the President shall otherwise direct, exempt the Department of Defense from action taken or which may be taken by the Administrator under clauses (1)–(4) of this subsection whenever he determines such exemption to be in the best interests of national security.

[(b)(1) The Administrator shall, as far as practicable, provide any of the services specified in subsection (a) of this section to any other Federal agency, mixed-ownership Government corporation (as defined in section 9101 of title 31, United States code), or the District of Columbia, upon its request.

[(2)(A) The Administrator may provide for the use of Federal supply schedules of the General Services Administration by any of the following entities upon request:

[(i) A State, any department or agency of a State, and any political subdivision of a State, including a local government.

[(ii) The Commonwealth of Puerto Rico.

[(iii) The government of an Indian tribe (as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e))).

[(B) Subparagraph (A) may not be construed to authorize an entity referred to in that subparagraph to order existing stock or inventory from federally owned and operated, or federally owned and contractor operated, supply depots, warehouses, or similar facilities.

[(C) In any case in which an entity listed in subparagraph (A) uses a Federal supply schedule, the Administrator may require the entity to reimburse the General Services Administration for any administrative costs of using the schedule.

[(3)(A) Upon the request of a qualified nonprofit agency for the blind or other severely handicapped that is to provide a commodity or service to the Federal Government under the Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.), the Administrator may provide any of the services specified in subsection (a) to such agency to the extent practicable.

[(B) A nonprofit agency receiving services under the authority of subparagraph (A) shall use the services directly in making or providing an approved commodity or approved service to the Federal Government.

[(C) In this paragraph:

[(i) The term “qualified nonprofit agency for the blind or other severely handicapped” means—

[(I) a qualified nonprofit agency for the blind, as defined in section 5(3) of the Javits-Wagner-O'Day Act (41 U.S.C. 48b(3)); and

[(II) a qualified nonprofit agency for other severely handicapped, as defined in section 5(4) of such Act (41 U.S.C. 48b(4)).

[(ii) The terms “approved commodity” and “approved service” mean a commodity and a service, respectively, that has been determined by the Committee for Purchase from the Blind and Other Severely Handicapped under section 2 of the Javits-

Wagner-O'Day Act (41 U.S.C. 47) to be suitable for procurement by the Federal Government.】

(b) The Administrator shall as far as practicable provide any of the services specified in subsection (a) of this section to any other Federal agency, mixed ownership corporation (as defined in chapter 91 of title 31, United States Code), or the District of Columbia, upon its request.

【(c)】 *(b)* In acquiring personal property, any executive agency, under regulations to be prescribed by the Administrator, subject to regulations prescribed by the Administrator for Federal Procurement Policy pursuant to the Office of Federal Procurement Policy Act, may exchange or sell similar items and may apply the exchange allowance or proceeds of sale in such cases in whole or in part payment for the property acquired: *Provided*, That any transaction carried out under the authority of this subsection shall be evidenced in writing. Sales of property pursuant to this subsection shall be governed by section 3709 of the Revised Statutes (41 U.S.C. 5), except that fixed price sales may be conducted in the same manner and subject to the same conditions as are applicable to the sale of property pursuant to section 203(e)(5) of this Act.

【(d)】 *(c)* In conformity with policies prescribed by the Administrator under subsection (a) of this section, any executive agency may utilize the services, work, materials, and equipment of any other executive agency, for the inspection of personal property incident to the procurement thereof, and notwithstanding section 3678 of the Revised Statutes (31 U.S.C. 628) or any other provision of law such other executive agency may furnish such services, work, materials, and equipment for that purpose without reimbursement or transfer of funds.

【(e)】 *(d)* Whenever the head of any executive agency determines that the remaining storage or shelf life of any medical materials or medical supplies held by such agency for national emergency purposes is of too short duration to justify their continued retention for such purposes and that their transfer or disposal would be in the interest of the United States, such materials or supplies shall be considered for the purposes of section 202 of this Act to be excess property. In accordance with the regulations of the Administrator, such excess materials or supplies may thereupon be transferred to or exchanged with any other Federal agency for other medical materials or supplies. Any proceeds derived from such transfers may be credited to the current applicable appropriation or fund of the transferor agency and shall be available only for the purchase of medical materials or supplies to be held for national emergency purposes. If such materials or supplies are not transferred to or exchanged with any other Federal agency, they shall be disposed of as surplus property. To the greatest extent practicable, the head of the executive agency holding such medical materials or supplies shall make the determination provided for in the first sentence of this subsection at such times as to insure that such medical materials or medical supplies can be transferred or otherwise disposed of in sufficient time to permit their use before their shelf life expires and they are rendered unfit for human use.

BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC.
308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with Committee allocations to its subcommittees of amounts in the First Concurrent Resolution for 1998: Subcommittee on Treasury and General Government:				
Defense discretionary				
Nondefense discretionary	12,501	12,464	12,269	¹ 12,269
Violent crime reduction fund	131	131	127	78
Mandatory	12,713	12,713	12,712	12,712
Projections of outlays associated with the recommendation:				
1998				² 22,252
1999				1,646
2000				604
2001				346
2002 and future year				167
Financial assistance to State and local governments for 1998 in bill	NA	12	NA	7

¹Includes outlays from prior-year budget authority.

²Excludes outlays from prior-year budget authority.

NA: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1997 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 1998

Item	1997 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or —)	
				1997 appropriation	Budget estimate
TITLE I—DEPARTMENT OF THE TREASURY					
Departmental Offices	\$112,048,000	\$116,314,000	\$114,794,000	+\$2,746,000	—\$1,520,000
Counterterrorism fund	15,000,000	.....	.....	—15,000,000	.....
Supplemental funding (Public Law 105–18)	1,950,000	.....	.....	—1,950,000	.....
Automation Enhancement	27,100,000	29,389,000	29,389,000	+2,289,000	.....
Office of Inspector General	29,770,000	31,333,000	30,719,000	+949,000	—614,000
Office of Professional Responsibility	1,500,000	1,625,000	1,250,000	—250,000	—375,000
Treasury Buildings and Annex Repair and Restoration	28,213,000	12,484,000	10,484,000	—17,729,000	—2,000,000
Financial Crimes Enforcement Network	22,387,000	23,006,000	22,835,000	+448,000	—171,000
Department of the Treasury Forfeiture Fund (limitation on availability of deposits)	10,000,000	9,500,000	.....	—10,000,000	—9,500,000
Violent Crime Reduction Programs:					
Bureau of Alcohol, Tobacco and Firearms	36,595,000	42,378,000	24,023,000	—12,572,000	—18,355,000
Departmental Offices	18,300,000	.....	.....	—18,300,000	.....
Financial Crimes Enforcement Network	1,000,000	3,000,000	3,000,000	+2,000,000	.....
United States Secret Service	20,000,000	20,700,000	21,178,000	+1,178,000	+478,000
ONDCP—HIDTA	13,105,000	.....	8,500,000	—4,605,000	+8,500,000
Gang Resistance Education and Training: Grants	8,000,000	8,000,000	10,000,000	+2,000,000	+2,000,000
Federal Law Enforcement Training Center .....	.....	24,000,000	19,619,000	+19,619,000	—4,381,000
United States Customs Service .....	.....	20,100,000	44,635,000	+44,635,000	+24,535,000
Total, Violent Crime Reduction Programs	97,000,000	118,178,000	130,955,000	+33,955,000	+12,777,000
Federal Law Enforcement Training Center:					
Salaries and Expenses	56,185,000	65,663,000	64,663,000	+8,478,000	—1,000,000
Acquisition, Construction, Improvements, and Related Expenses	21,584,000	11,111,000	13,930,000	—7,654,000	+2,819,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1997 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 1998—Continued

Item	1997 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				1997 appropriation	Budget estimate
Total, Federal Law Enforcement Training Center	77,769,000	76,774,000	78,593,000	+ 824,000	+ 1,819,000
Interagency Law Enforcement: Interagency crime and drug enforce- ment ¹					
Financial Management Service		73,794,000	73,794,000	+ 73,794,000	.....
Reimburse Federal Reserve Bank (indefinite)	196,518,000	202,560,000	202,490,000	+ 5,972,000	- 70,000
Bureau of Alcohol, Tobacco and Firearms:		122,000,000	.....	.....	- 122,000,000
Salaries and Expenses	460,394,000	496,954,000	472,490,000	+ 12,096,000	- 24,464,000
Laboratory facilities	6,978,000	55,022,000	55,022,000	+ 48,044,000	.....
Total, Bureau of Alcohol, Tobacco and Firearms	467,372,000	551,976,000	527,512,000	+ 60,140,000	- 24,464,000
United States Customs Service:					
Salaries and Expenses	1,549,585,000	1,566,826,000	1,551,028,000	+ 1,443,000	- 15,798,000
Customs facilities, construction, improvements		5,512,000	.....	.....	- 5,512,000
Operation and Maintenance, Air and Marine Interdiction Programs ...	83,363,000	92,758,000	92,758,000	+ 9,395,000	.....
Customs Services at Small Airports (to be derived from fees col- lected)	2,406,000	2,000,000	2,406,000	.....	+ 406,000
Harbor Maintenance Fee Collection	3,000,000	3,000,000	3,000,000	.....	.....
Total, United States Customs Service	1,638,354,000	1,670,096,000	1,649,192,000	+ 10,838,000	- 20,904,000
Bureau of the Public Debt	165,335,000	169,426,000	169,426,000	+ 4,091,000	.....
Internal Revenue Service:					
Processing, Assistance, and Management	1,790,288,000	2,943,174,000	2,943,174,000	+ 1,152,886,000	.....
Tax Law Enforcement	4,104,211,000	3,153,722,000	3,153,722,000	- 950,489,000	.....
Rescission .....			.....	.....	.....
Information Systems	1,323,075,000	1,272,487,000	1,272,487,000	- 50,588,000	.....
Rescission	- 174,447,000	.....	.....	+ 174,447,000	.....

Information technology investments	500,000,000	325,000,000	+ 325,000,000	— 175,000,000
Net total, Internal Revenue Service	7,043,127,000	7,869,383,000	7,694,383,000	+ 651,256,000
United States Secret Service:				— 175,000,000
Salaries and Expenses	531,288,000	575,971,000	570,809,000	+ 39,521,000
Rescission	— 7,600,000	.....	.....	+ 7,600,000
Acquisition, Construction, Improvement, and Related Expenses	37,365,000	9,176,000	9,176,000	— 28,189,000
Total, United States Secret Service	561,053,000	585,147,000	579,985,000	+ 18,932,000
Net total, title I, Department of the Treasury	10,494,496,000	11,662,985,000	11,315,801,000	+ 821,305,000
TITLE II—POSTAL SERVICE				
Payments to the Postal Service				
Payment to the Postal Service Fund	85,080,000	86,274,000	86,274,000	+ 1,194,000
Supplemental funding (Public Law 105–18)	5,383,000	.....	.....	— 5,383,000
Payment to the Postal Service Fund for Nonfunded Liabilities	35,536,000	34,850,000	34,850,000	— 686,000
Total, title II, Postal Service	125,999,000	121,124,000	121,124,000	— 4,875,000
TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT				
Compensation of the President and the White House Office:				
Compensation of the President	250,000	250,000	250,000	.....
Salaries and Expenses	40,193,000	51,199,000	51,199,000	+ 11,006,000
Executive Residence at the White House:				
Operating Expenses	7,827,000	8,045,000	8,045,000	+ 218,000
White House Repair and Restoration .....	.....	200,000	200,000	+ 200,000
Special Assistance to the President and the Official Residence of the Vice President:				
Salaries and Expenses	3,280,000	3,378,000	3,378,000	+ 98,000
Operating expenses	324,000	334,000	334,000	+ 10,000
Council of Economic Advisers	3,439,000	3,542,000	3,542,000	+ 103,000
Office of Policy Development	3,867,000	3,983,000	3,983,000	+ 116,000
National Security Council	6,648,000	6,648,000	6,648,000	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1997 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 1998—Continued

Item	1997 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				1997 appropriation	Budget estimate
Office of Administration	26,100,000	28,883,000	28,883,000	+ 2,783,000	.....
Office of Management and Budget	55,573,000	57,240,000	57,240,000	+ 1,667,000	.....
Office of National Drug Control Policy	35,838,000	36,016,000	36,016,000	+ 178,000	.....
Unanticipated Needs .....	.....	1,000,000	.....	.....	- 1,000,000
Federal Drug Control Programs: High Intensity Drug Trafficking Areas Pro- gram	127,102,000	140,207,000	140,207,000	+ 13,105,000	.....
Special forfeiture fund	112,900,000	175,000,000	145,300,000	+ 32,400,000	- 29,700,000
Total, title III, Executive Office of the President and Funds Appro- priated to the President	423,341,000	515,925,000	485,225,000	+ 61,884,000	- 30,700,000
TITLE IV—INDEPENDENT AGENCIES					
Committee for Purchase from People Who Are Blind or Severely Dis- abled	1,800,000	1,940,000	1,940,000	+ 140,000	.....
Federal Election Commission	28,165,000	29,300,000	29,000,000	+ 835,000	- 300,000
Federal Labor Relations Authority	21,588,000	22,039,000	22,039,000	+ 451,000	.....
General Services Administration: Federal Buildings Fund: Appropriation	400,544,000	84,000,000	.....	- 400,544,000	- 84,000,000
Limitations on availability of revenue: Construction and acquisition of facilities	(657,711,000)	.....	.....	(- 657,711,000)	.....
Environmental cleanup activities	(20,000,000)	.....	.....	(- 20,000,000)	.....
Consolidated Federal Law Enforcement Bldg	(81,000,000)	.....	.....	(- 81,000,000)	.....
Repairs and alterations	(639,000,000)	(434,000,000)	(350,000,000)	(- 289,000,000)	(- 84,000,000)
Installment acquisition payments	(173,075,000)	(142,542,000)	(142,542,000)	(- 30,533,000)	.....
Operations and rental of space .....	.....	.....	.....	.....	.....
Rental of space	(2,343,795,000)	(2,275,340,000)	(2,275,340,000)	(- 68,455,000)	.....

Building Operations	(1,552,651,000)	(1,331,789,000)	(1,331,789,000)	(-220,862,000)	.....
Repayment of Debt	(88,312,000)	(105,720,000)	(105,720,000)	(+17,408,000)	.....
Previously appropriated activities .....	.....	(680,543,000)	(680,543,000)	(+680,543,000)	.....
Total, Federal Buildings Fund	400,544,000	84,000,000	.....	-400,544,000	-84,000,000
(Limitations)	(5,555,544,000)	(4,969,934,000)	(4,885,934,000)	(-669,610,000)	(-84,000,000)
Policy and Operations	110,173,000	104,487,000	104,487,000	-5,686,000	.....
Office of Inspector General	33,863,000	33,870,000	33,870,000	+7,000	.....
Allowances and Office Staff for Former Presidents	2,180,000	2,250,000	2,208,000	+28,000	-42,000
Expenses, presidential transition	5,600,000	.....	.....	-5,600,000	.....
Rescission (Public Law 105-18)	-5,600,000	.....	.....	+5,600,000	.....
Total, General Services Administration	546,760,000	224,607,000	140,565,000	-406,195,000	-84,042,000
John F. Kennedy Assassination Record Review Board	2,150,000	1,600,000	1,600,000	-550,000	.....
Merit Systems Protection Board:					
Salaries and Expenses	23,923,000	24,450,000	24,810,000	+887,000	+360,000
(Limitation on administrative expenses)	(2,430,000)	(2,430,000)	(2,430,000)	.....	.....
Morris K. Udall Scholarship and Excellence in National Environmental Pol-					
icy Foundation .....	.....	2,000,000	.....	.....	-2,000,000
National Archives and Records Administration:					
Operating expenses	196,963,000	206,479,000	206,479,000	+9,516,000	.....
Reduction of debt	-4,012,000	-4,012,000	-4,012,000	.....	.....
Archives Facilities and Presidential Libraries:					
Repairs and Restoration	16,229,000	6,650,000	13,650,000	-2,579,000	+7,000,000
National Historical Publications and Records Commission: Grants					
program	5,000,000	4,000,000	5,000,000	.....	+1,000,000
Total, National Archives and Records Administration	214,180,000	213,117,000	221,117,000	+6,937,000	+8,000,000
Office of Government Ethics	8,078,000	8,265,000	8,265,000	+187,000	.....
Office of Personnel Management:					
Salaries and Expenses	87,286,000	85,350,000	85,350,000	-1,936,000	.....
(Limitation on administrative expenses)	(94,736,000)	(91,236,000)	(91,236,000)	(-3,500,000)	.....
Office of Inspector General	960,000	960,000	960,000	.....	.....
(Limitation on administrative expenses)	(8,645,000)	(8,645,000)	(8,645,000)	.....	.....
Government Payment for Annuitants, Employees Health Benefits	4,059,000,000	4,338,000,000	4,338,000,000	+279,000,000	.....
Government Payment for Annuitants, Employee Life Insurance	33,000,000	32,000,000	32,000,000	-1,000,000	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1997 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 1998—Continued

Item	1997 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				1997 appropriation	Budget estimate
Payment to Civil Service Retirement and Disability Fund	7,989,000,000	8,336,000,000	8,336,000,000	+ 347,000,000	.....
Total, Office of Personnel Management	12,169,246,000	12,792,310,000	12,792,310,000	+ 623,064,000	.....
Office of Special Counsel	8,116,000	8,450,000	8,450,000	+ 334,000	.....
United States Tax Court	33,781,000	34,293,000	34,293,000	+ 512,000	.....
Total, title IV, Independent Agencies	13,057,787,000	13,362,371,000	13,284,389,000	+ 226,602,000	- 77,982,000
(Limitation on administrative expenses)	(5,661,355,000)	(5,072,245,000)	(4,988,245,000)	(- 673,110,000)	(- 84,000,000)
Net grand total	24,101,623,000	25,662,405,000	25,206,539,000	+ 1,104,916,000	- 455,866,000
Appropriations	(24,289,270,000)	(25,662,405,000)	(25,206,539,000)	(+ 917,269,000)	(- 455,866,000)
Rescissions	(- 187,647,000)	.....	.....	( + 187,647,000)	.....
Emergency funding (Public Law 105-18) .....	.....	.....	.....	.....	.....
(Limitations)	(5,661,355,000)	(5,072,245,000)	(4,988,245,000)	(- 673,110,000)	(- 84,000,000)

¹ Funded in Commerce, Justice, State, the Judiciary bill in fiscal year 1997.

○